

Louisiana Legislative Fiscal Office

# **FISCAL HIGHLIGHTS**

Fiscal Year 2009-2010

Presented to:

The Honorable Joel T. Chaisson,  
President of the State Senate  
The Honorable Jim Tucker,  
Speaker of the House of Representatives  
and Honorable Members of the Louisiana Legislature

Presented by:

H. Gordon Monk, Legislative Fiscal Officer  
Robert E. Hosse, LFO Staff Director

October 2009

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H. Gordon Monk  
Legislative Fiscal Officer

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LEGISLATIVE FISCAL OFFICE  
**BATON ROUGE**

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TO: The Honorable Joel T. Chaisson, President of the Senate  
The Honorable Jim Tucker, Speaker of the House  
and Honorable Members of the Louisiana Legislature

FROM: H. Gordon Monk, Legislative Fiscal Officer  
Robert E. Hosse, Staff Director

DATE: October 2009

SUBJECT: Fiscal Highlights 2009

The Legislative Fiscal Office is pleased to present you with our annual publication entitled "Fiscal Highlights." This document is a summary of fiscal actions taken during the 2009 Regular Session and a compilation of historical fiscal data.

We hope you find this information useful for speeches, constituents' questions, and general information. Please contact us at (225) 342-7233 if you should have any questions or need additional information.

Enclosure

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## OVERVIEW OF THE LEGISLATIVE FISCAL OFFICE

The Legislative Fiscal Office is an independent agency created by statute to provide factual and unbiased information to both the House of Representatives and the State Senate. The Office provides assistance to individual legislators, committees of the Legislature and the entire Legislature. Legislators' individual requests are considered confidential and will remain confidential unless otherwise requested.

The Legislative Fiscal Officer is elected by a favorable vote of a majority of the elected members of both houses of the Legislature. He may be removed by a majority vote of the elected members of both houses of the Legislature.

**The Legislative Fiscal Office duties and functions include, but are not limited to, the following:**

**Budget Analysis** - To analyze budgets prepared by the executive branch and make recommendations to the Joint Legislative Committee on the Budget, other committees and the Legislature.

**Revenue Forecasting** - To make continuous short and long range projections on revenues and expenditures (i.e., economic forecasting).

**Committee Support** - To review and evaluate requests/amendments for appropriations during the legislative sessions and make presentations to the House Appropriations Committee, the Senate Finance Committee and the Legislature. Answer the fiscal information requests of committees and individual legislators.

**Fiscal Notes** - To evaluate legislation for fiscal effect and provide fiscal notes detailing the effect on revenues and expenditures of such proposed legislation.

**BA-7s** - To review on a monthly basis requests for budget adjustments from state agencies and make recommendations to the Joint Legislative Committee on the Budget as to the merits of such requests.

**Louisiana Government Performance and Accountability Act** - To provide performance progress report summaries to the Joint Legislative Committee on the Budget relative to the state agencies actual performance compared to set performance standards.

**Interim Emergency Board** - To evaluate requests submitted to the Interim Emergency Board and to make recommendations of approval or disapproval to the Legislature of those requests.

**Fiscal and Economic Impact Statements** - To review on a monthly basis rules and regulations as submitted by the executive branch and to inform the Legislature and the public as to the fiscal and economic impact of such proposed rules and regulations.

**LEGISLATIVE FISCAL OFFICE  
2009 FISCAL HIGHLIGHTS**

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Louisiana Legislative Fiscal Office

## **Section I**

# **BUDGET COMPARISONS**

Fiscal Year 2009-2010

**TOTAL MEANS OF FINANCE BY DEPARTMENT**

<u>DEPARTMENT</u>	<u>Actual FY 08</u>	<u>Budgeted FY 09 (1)</u>	<u>Appropriated FY 10 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive (a)	\$6,555,330,420	\$8,655,760,697	\$7,043,362,661	(\$1,612,398,036)	(18.6%)
Veterans Affairs	\$37,904,270	\$46,408,820	\$48,882,750	\$2,473,930	5.3%
State (a)	\$78,131,175	\$93,154,082	\$74,384,467	(\$18,769,615)	(20.1%)
Justice (a)	\$47,001,003	\$55,298,720	\$51,373,108	(\$3,925,612)	(7.1%)
Lt. Governor	\$9,293,924	\$12,087,068	\$9,501,908	(\$2,585,160)	(21.4%)
Treasury	\$9,619,400	\$12,359,421	\$12,475,786	\$116,365	0.9%
Public Service Comm.	\$8,805,094	\$8,492,707	\$8,993,160	\$500,453	5.9%
Agriculture	\$106,302,881	\$132,905,868	\$90,055,180	(\$42,850,688)	(32.2%)
Insurance	\$58,182,618	\$31,779,474	\$29,387,018	(\$2,392,456)	(7.5%)
Economic Development	\$105,818,697	\$408,935,405	\$89,065,607	(\$319,869,798)	(78.2%)
Culture, Rec. & Tourism	\$141,249,366	\$116,800,503	\$93,118,758	(\$23,681,745)	(20.3%)
Transp. & Development	\$499,512,939	\$601,658,950	\$540,681,297	(\$60,977,653)	(10.1%)
Corrections	\$503,227,119	\$569,766,995	\$497,768,813	(\$71,998,182)	(12.6%)
Public Safety	\$328,837,356	\$390,356,879	\$364,533,424	(\$25,823,455)	(6.6%)
Youth Services	\$162,186,749	\$173,038,843	\$152,259,606	(\$20,779,237)	(12.0%)
Health and Hospitals	\$7,400,213,239	\$8,442,711,938	\$7,933,811,977	(\$508,899,961)	(6.0%)
Social Services	\$960,540,148	\$1,180,360,880	\$1,232,783,196	\$52,422,316	4.4%
Natural Resources	\$137,859,446	\$192,162,440	\$272,876,244	\$80,713,804	42.0%
Revenue	\$91,505,814	\$103,413,733	\$98,567,857	(\$4,845,876)	(4.7%)
Environmental Quality (a)	\$128,906,894	\$156,377,006	\$150,693,806	(\$5,683,200)	(3.6%)
Labor	\$253,852,472	\$342,899,383	\$291,678,975	(\$51,220,408)	(14.9%)
Wildlife and Fisheries	\$103,901,966	\$170,260,967	\$175,283,004	\$5,022,037	2.9%
Civil Service	\$15,665,151	\$19,125,506	\$19,830,633	\$705,127	3.7%
Retirement Systems (a)	\$61,564,978	\$1,564,978	\$0	(\$1,564,978)	(100.0%)
Higher Education	\$2,813,272,157	\$2,868,686,391	\$3,042,867,954	\$174,181,563	6.1%
Special Schools & Comm.	\$279,538,988	\$320,929,622	\$119,302,100	(\$201,627,522)	(62.8%)
Elem. & Secondary Ed (a)	\$5,060,971,610	\$5,452,408,543	\$5,408,779,486	(\$43,629,057)	(0.8%)
Health Care Srvc. Division	\$94,771,918	\$99,233,868	\$79,925,475	(\$19,308,393)	(19.5%)
Other Requirements	\$1,699,348,691	\$1,119,369,360	\$661,688,668	(\$457,680,692)	(40.9%)
<b>General Appropriation Total</b>	<b>\$27,753,316,483</b>	<b>\$31,778,309,047</b>	<b>\$28,593,932,918</b>	<b>(\$3,184,376,129)</b>	<b>(10.0%)</b>
Ancillary	\$1,370,296,553	\$1,827,705,539	\$1,999,153,691	\$171,448,152	9.4%
Judiciary	\$128,270,124	\$145,653,511	\$150,159,149	\$4,505,638	3.1%
Legislative	\$82,852,835	\$93,015,908	\$88,342,521	(\$4,673,387)	(5.0%)
Capital Outlay Cash (a)	\$2,254,491,433	\$1,157,833,680	\$2,015,188,921	\$857,355,241	74.0%
<b>Other Approp. Bills' Total</b>	<b>\$3,835,910,945</b>	<b>\$3,224,208,638</b>	<b>\$4,252,844,282</b>	<b>\$1,028,635,644</b>	<b>31.9%</b>
<b>Non-Approp. Required</b>	<b>\$506,774,017</b>	<b>\$509,861,190</b>	<b>\$515,149,119</b>	<b>\$5,287,929</b>	<b>1.0%</b>
<b>Grand Total</b>	<b>\$32,096,001,445</b>	<b>\$35,512,378,875</b>	<b>\$33,361,926,319</b>	<b>(\$2,150,452,556)</b>	<b>(6.1%)</b>

(1) Budgeted as of June 30, 2009.

(2) Appropriated in Act 10 of 2009 Regular Session. Does not include carry-forward BA-7s.

(a) See Table of Footnotes on the following page.

## TABLE OF FOOTNOTES

Executive – A total of \$1,495,445,867 in federal funds budget authority was non-recurred in the DOA (CDBG Program) relative to disaster recovery. This will make the federal authority more in line with actual grant dollars received that is estimated to be approximately \$4.6B in FY 10.

State – The \$18.8M reduction in the total means of financing is attributed to a \$35.1M reduction in SGF, a \$21.7M increase in IAT, a \$1.9M reduction in SGR and a \$3.5M reduction in Statutory Dedications. The change in SGF and IAT is primarily attributed to a \$21.8M means of financing substitution, replacing SGF with a like amount of federal stimulus funds. Other significant SGF reductions include reduced funding for elections expenses and removal of carryforward funding. The reduction in SGR is primarily attributed to reduced funding for elections expenses and removal of carryforward funding. The reduction in Statutory Dedications is due to reduced HAVA funding resulting from removal of nonrecurring carryforwards and reduced funding for acquisitions.

Justice – The \$3.9M reduction in the total means of financing is attributed to a \$9.2M reduction in SGF, a \$5.4M increase in IAT, and a \$1.1M reduction in Statutory Dedications and a \$1M increase in federal funds. The reduction in SGF is primarily due to a \$6.2M means of financing substitution replacing SGF with IAT that derive from federal stimulus funds, and a \$1.9M reduction related to the abolishment of 21 positions. Other SGF reductions include a \$0.3M reduction in acquisitions, a \$0.3M reduction in operating services, and a \$0.3M reduction in funding for the Advocacy Center Ombudsman Program. The reduction in Statutory Dedications is primarily due to reduced acquisitions funding and removal of carryforward funding. The increase in federal funding is due to increased funding for medical assistance fraud collections.

Environmental Quality – The \$5.68M reduction in the total means of financing is attributable to a \$5.1M reduction in SGF, a \$2.7M reduction in IAT, a \$0.3M decrease in Statutory Dedications, and a \$2.45M increase in federal funding. The reduction in SGF is primarily due to means of finance swaps which reduced SGF by \$3.7M to maximize other means of finance, the annualization of Executive Order BJ 2008-114 which reduced \$.5M in SGF funding for 20 reduced positions and a reduction of \$1M in funding for professional services, legal services, document management and IT. IAT was reduced \$2,091,170 to nonrecur federal funds transferred from the Governor's Office of Homeland Security & Emergency Preparedness for demolitions and landfill oversight in the New Orleans area in the aftermath of Hurricane Katrina and by \$603,885 to nonrecur carryforwards. The small net decrease in Statutory Dedications was due to the \$3.7M increase in Statutory Dedications to offset the SGF decrease of that same amount as a means of finance swap and a net decrease of \$4M to nonrecur carryforwards, reduce acquisitions and account for attrition, and other adjustments. The increase in federal funding is due to the addition of \$3.5M in ARRA funding and various decreases in other federal grants.

Retirement Systems – Direct funding to Teacher's Retirement System that was provided for Supplemental Retirement Benefits for LSU Ag Center Extension retirees as well as selected retired teachers has been eliminated. Further payments will be billed and paid directly by the LSU Ag Center and the Department of Education to the LA Teachers Retirement System, in lieu of a direct appropriation.

Elementary & Secondary Education – The majority of the decrease of SGF in the Department of Education is from reductions in the Minimum Foundation Program (MFP) and the elimination or reduction of flow-through funds for other education programs. Approximately \$66.5M in SGF reduced in the MFP was substituted with American Recovery & Reinvestment Act (ARRA) funds. The SGF (\$26M) in the LA4 Program was substituted with TANF funds. The funds were eliminated for programs such as LEAP & GEE Remediation/Tutoring, K-3 Reading & Math, High School Redesign Credit Recovery, Flexible pay for Teachers, LATAAP, and the Principal Matching Foundation. While the funds were eliminated for these programs, the Department of Education has received \$376M from Title I and Individuals with Disabilities Education Act (IDEA) from ARRA funding which may be used to operate the programs.

Capital Outlay – The increase in capital outlay allocation is attributed to one-time funding of FY 08 surplus funds (\$782.29M) and ARRA funding (\$1M).

## TOTAL STATE EFFORT BY DEPARTMENT

(TOTAL STATE EFFORT = TOTAL MOF - IAT & FED)

<u>DEPARTMENT</u>	<u>Actual FY 08</u>	<u>Budgeted FY 09 (1)</u>	<u>Appropriated FY 10 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$719,996,439	\$472,642,303	\$368,091,028	(\$104,551,275)	(22.1%)
Veterans Affairs	\$26,200,085	\$26,138,261	\$24,600,044	(\$1,538,217)	(5.9%)
State	\$77,911,972	\$92,287,047	\$51,818,461	(\$40,468,586)	(43.9%)
Justice	\$26,473,483	\$29,829,391	\$19,498,636	(\$10,330,755)	(34.6%)
Lt. Governor	\$2,492,465	\$3,709,088	\$1,644,289	(\$2,064,799)	(55.7%)
Treasury	\$8,298,772	\$10,922,301	\$10,520,816	(\$401,485)	(3.7%)
Public Service Comm.	\$8,805,094	\$8,492,707	\$8,993,160	\$500,453	5.9%
Agriculture	\$88,064,250	\$102,212,398	\$64,372,346	(\$37,840,052)	(37.0%)
Insurance	\$57,869,164	\$30,975,413	\$28,838,425	(\$2,136,988)	(6.9%)
Economic Development	\$67,935,495	\$278,860,037	\$87,384,503	(\$191,475,534)	(68.7%)
Culture, Rec. & Tourism	\$101,598,055	\$100,949,256	\$59,875,067	(\$41,074,189)	(40.7%)
Transp. & Development	\$482,526,297	\$560,354,727	\$512,588,973	(\$47,765,754)	(8.5%)
Corrections	\$495,564,053	\$534,801,824	\$489,387,374	(\$45,414,450)	(8.5%)
Public Safety	\$285,315,720	\$314,583,508	\$295,410,412	(\$19,173,096)	(6.1%)
Youth Services	\$151,856,783	\$159,201,372	\$135,272,135	(\$23,929,237)	(15.0%)
Health and Hospitals	\$2,117,642,945	\$2,114,426,932	\$1,816,963,552	(\$297,463,380)	(14.1%)
Social Services	\$258,999,058	\$261,946,445	\$211,040,411	(\$50,906,034)	(19.4%)
Natural Resources	\$99,489,376	\$135,122,197	\$171,926,563	\$36,804,366	27.2%
Revenue	\$90,879,086	\$100,991,411	\$97,817,279	(\$3,174,132)	(3.1%)
Environmental Quality	\$105,236,313	\$125,191,355	\$119,753,371	(\$5,437,984)	(4.3%)
Labor	\$104,385,735	\$116,164,108	\$112,912,315	(\$3,251,793)	(2.8%)
Wildlife and Fisheries	\$69,480,745	\$80,954,085	\$86,234,690	\$5,280,605	6.5%
Civil Service	\$4,343,193	\$6,452,696	\$7,552,351	\$1,099,655	17.0%
Retirement Systems	\$61,564,978	\$1,564,978	\$0	(\$1,564,978)	(100.0%)
Higher Education	\$2,288,533,129	\$2,340,113,798	\$2,239,682,060	(\$100,431,738)	(4.3%)
Special Schools & Comm.	\$234,404,621	\$252,505,830	\$96,993,579	(\$155,512,251)	(61.6%)
Elem. & Secondary Ed	\$3,472,999,116	\$3,734,306,514	\$3,466,176,355	(\$268,130,159)	(7.2%)
Health Care Srvc. Division	\$94,771,918	\$99,233,868	\$79,925,475	(\$19,308,393)	(19.5%)
Other Requirements	\$1,647,119,506	\$1,066,343,083	\$609,836,744	(\$456,506,339)	(42.8%)
<b>General Appropriation Total</b>	<b>\$13,250,757,846</b>	<b>\$13,161,276,933</b>	<b>\$11,275,110,414</b>	<b>(\$1,886,166,519)</b>	<b>(14.3%)</b>
Ancillary	\$1,097,902,542	\$1,529,589,594	\$1,694,396,611	\$164,807,017	10.8%
Judiciary	\$128,270,124	\$136,983,511	\$141,489,149	\$4,505,638	3.3%
Legislative	\$82,852,835	\$93,015,908	\$88,342,521	(\$4,673,387)	(5.0%)
Capital Outlay Cash	\$1,749,335,515	\$970,525,525	\$1,956,140,991	\$985,615,466	101.6%
<b>Other Approp. Bills' Total</b>	<b>\$3,058,361,016</b>	<b>\$2,730,114,538</b>	<b>\$3,880,369,272</b>	<b>\$1,150,254,734</b>	<b>42.1%</b>
<b>Non-Approp. Required</b>	<b>\$506,774,017</b>	<b>\$509,861,190</b>	<b>\$515,149,119</b>	<b>\$5,287,929</b>	<b>1.0%</b>
<b>Grand Total</b>	<b>\$16,815,892,879</b>	<b>\$16,401,252,661</b>	<b>\$15,670,628,805</b>	<b>(\$730,623,856)</b>	<b>(4.5%)</b>

(1) Budgeted as of June 30, 2009.

(2) Appropriated in Act 10 of 2009 Regular Session. Does not include carry-forward BA-7s.

**STATE GENERAL FUND BY DEPARTMENT**

<u>DEPARTMENT</u>	<u>Actual FY 08</u>	<u>Budgeted FY 09 (1)</u>	<u>Appropriated FY 10 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$177,961,758	\$161,195,406	\$157,754,245	(\$3,441,161)	-2.1%
Veterans Affairs	\$17,229,905	\$12,827,219	\$11,022,288	(\$1,804,931)	-14.1%
State	\$58,315,879	\$55,880,042	\$20,772,602	(\$35,107,440)	-62.8%
Justice	\$18,007,248	\$17,430,977	\$8,190,044	(\$9,240,933)	-53.0%
Lt. Governor	\$2,491,465	\$3,534,388	\$1,494,289	(\$2,040,099)	-57.7%
Treasury	\$1,659,973	\$1,459,843	\$620,060	(\$839,783)	-57.5%
Public Service Comm.	\$0	\$0	\$0	\$0	0.0%
Agriculture	\$45,572,606	\$54,605,171	\$20,559,245	(\$34,045,926)	-62.3%
Insurance	\$0	\$0	\$0	\$0	0.0%
Economic Development	\$32,807,604	\$34,576,580	\$17,345,530	(\$17,231,050)	-49.8%
Culture, Rec. & Tourism	\$71,316,098	\$69,219,724	\$33,276,572	(\$35,943,152)	-51.9%
Transp. & Development	\$17,822,787	(\$1)	\$1,749,765	\$1,749,766	-174976600.0%
Corrections	\$460,548,578	\$484,196,936	\$444,825,831	(\$39,371,105)	-8.1%
Public Safety	\$50,031,434	\$37,395,102	\$35,297,597	(\$2,097,505)	-5.6%
Youth Services	\$147,389,517	\$152,257,306	\$134,222,794	(\$18,034,512)	-11.8%
Health and Hospitals	\$1,364,557,884	\$1,712,232,138	\$1,449,390,044	(\$262,842,094)	-15.4%
Social Services	\$237,020,222	\$216,607,163	\$184,744,894	(\$31,862,269)	-14.7%
Natural Resources	\$8,330,845	\$6,787,408	\$4,971,451	(\$1,815,957)	-26.8%
Revenue	\$49,212,889	\$18,931,806	\$12,722,885	(\$6,208,921)	-32.8%
Environmental Quality	\$12,763,848	\$9,372,763	\$4,254,407	(\$5,118,356)	-54.6%
Labor	\$1,680,961	\$3,624,596	\$0	(\$3,624,596)	-100.0%
Wildlife and Fisheries	\$352,499	\$90,000	\$100,000	\$10,000	11.1%
Civil Service	\$2,193,669	\$4,174,926	\$5,157,533	\$982,607	23.5%
Retirement Systems	\$61,564,978	\$1,564,978	\$0	(\$1,564,978)	-100.0%
Higher Education	\$1,433,279,943	\$1,425,044,805	\$1,265,981,080	(\$159,063,725)	-11.2%
Special Schools & Comm.	\$179,642,441	\$182,447,679	\$47,451,711	(\$134,995,968)	-74.0%
Elem. & Secondary Ed	\$3,164,728,649	\$3,371,071,719	\$3,187,158,588	(\$183,913,131)	-5.5%
Health Care Srv. Division	\$94,765,933	\$89,938,199	\$79,925,475	(\$10,012,724)	-11.1%
Other Requirements	\$1,339,555,579	\$748,529,877	\$453,560,807	(\$294,969,070)	-39.4%
<b>General Appropriation Total</b>	<b>\$9,050,805,192</b>	<b>\$8,874,996,750</b>	<b>\$7,582,549,737</b>	<b>(\$1,292,447,013)</b>	<b>-14.6%</b>
Ancillary	\$11,067,484	\$0	\$0	\$0	0.0%
Judiciary	\$122,161,700	\$128,895,700	\$132,362,434	\$3,466,734	2.7%
Legislative	\$71,312,644	\$69,370,885	\$68,628,359	(\$742,526)	-1.1%
Capital Outlay Cash	\$737,395,100	\$9,669,089	\$794,318,000	\$784,648,911	8115.0%
<b>Other Approp. Bills' Total</b>	<b>\$941,936,928</b>	<b>\$207,935,674</b>	<b>\$995,308,793</b>	<b>\$787,373,119</b>	<b>378.7%</b>
<b>Non-Approp. Required</b>	<b>\$379,004,433</b>	<b>\$379,361,190</b>	<b>\$433,349,119</b>	<b>\$53,987,929</b>	<b>14.2%</b>
<b>Grand Total</b>	<b>\$10,371,746,553</b>	<b>\$9,462,293,614</b>	<b>\$9,011,207,649</b>	<b>(\$451,085,965)</b>	<b>-4.8%</b>

(1) Budgeted as of June 30, 2009.

(2) Appropriated in Act 10 of 2009 Regular Session. Does not include carry-forward BA-7s.

**INTERAGENCY TRANSFERS BY DEPARTMENT**

<u>DEPARTMENT</u>	<u>Actual FY 08</u>	<u>Budgeted FY 09 (1)</u>	<u>Appropriated FY 10 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$67,197,880	\$441,973,912	\$418,673,597	(\$23,300,315)	-5.3%
Veterans Affairs	\$0	\$0	\$187,908	\$187,908	0.0%
State	\$219,203	\$867,035	\$22,566,006	\$21,698,971	2502.7%
Justice	\$17,234,900	\$20,974,870	\$26,405,684	\$5,430,814	25.9%
Lt. Governor	\$345,169	\$615,058	\$1,858,850	\$1,243,792	202.2%
Treasury	\$1,320,628	\$1,436,120	\$1,954,970	\$518,850	36.1%
Public Service Comm.	\$0	\$0	\$0	\$0	0.0%
Agriculture	\$378,386	\$14,066,542	\$13,509,419	(\$557,123)	-4.0%
Insurance	\$0	\$0	\$0	\$0	0.0%
Economic Development	\$36,809,723	\$122,249,122	\$1,681,104	(\$120,568,018)	-98.6%
Culture, Rec. & Tourism	\$25,195,871	\$3,977,893	\$23,320,172	\$19,342,279	486.2%
Transp. & Development	\$5,651,114	\$18,484,680	\$7,045,104	(\$11,439,576)	-61.9%
Corrections	\$5,022,479	\$31,636,020	\$5,232,324	(\$26,403,696)	-83.5%
Public Safety	\$23,002,961	\$34,721,689	\$32,188,474	(\$2,533,215)	-7.3%
Youth Services	\$9,913,061	\$13,299,550	\$16,449,550	\$3,150,000	23.7%
Health and Hospitals	\$459,917,183	\$534,469,564	\$639,088,137	\$104,618,573	19.6%
Social Services	\$86,368,360	\$136,701,688	\$113,486,756	(\$23,214,932)	-17.0%
Natural Resources	\$12,838,776	\$15,025,251	\$16,843,920	\$1,818,669	12.1%
Revenue	\$253,529	\$2,028,322	\$356,578	(\$1,671,744)	-82.4%
Environmental Quality	\$4,957,955	\$3,217,847	\$522,792	(\$2,695,055)	-83.8%
Labor	\$12,601,693	\$35,765,024	\$17,276,860	(\$18,488,164)	-51.7%
Wildlife and Fisheries	\$3,742,662	\$6,416,666	\$6,127,883	(\$288,783)	-4.5%
Civil Service	\$11,321,958	\$12,672,810	\$12,278,282	(\$394,528)	-3.1%
Retirement Systems	\$0	\$0	\$0	\$0	0.0%
Higher Education	\$381,202,275	\$425,594,709	\$625,593,162	\$199,998,453	47.0%
Special Schools & Comm.	\$22,283,292	\$30,686,706	\$22,264,319	(\$8,422,387)	-27.4%
Elem. & Secondary Ed	\$505,277,303	\$532,878,166	\$478,998,816	(\$53,879,350)	-10.1%
Health Care Srv. Division	\$0	\$0	\$0	\$0	0.0%
Other Requirements	\$52,229,185	\$53,026,277	\$51,851,924	(\$1,174,353)	-2.2%
<b>General Approp. Total</b>	<b>\$1,745,285,546</b>	<b>\$2,492,785,521</b>	<b>\$2,555,762,591</b>	<b>\$62,977,070</b>	<b>2.5%</b>
Ancillary	\$272,362,312	\$298,115,945	\$304,757,080	\$6,641,135	2.2%
Judiciary	\$0	\$8,670,000	\$8,670,000	\$0	0.0%
Legislative	\$0	\$0	\$0	\$0	0.0%
Capital Outlay Cash	\$379,132,000	\$172,962,155	\$24,112,530	(\$148,849,625)	-86.1%
<b>Other Approp. Bills' Total</b>	<b>\$651,494,312</b>	<b>\$479,748,100</b>	<b>\$337,539,610</b>	<b>(\$142,208,490)</b>	<b>-29.6%</b>
<b>Non-Approp. Required</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Grand Total</b>	<b>\$2,396,779,858</b>	<b>\$2,972,533,621</b>	<b>\$2,893,302,201</b>	<b>(\$79,231,420)</b>	<b>-2.7%</b>

(1) Budgeted as of June 30, 2009.

(2) Appropriated in Act 10 of 2009 Regular Session. Does not include carry-forward BA-7s.

**SELF GENERATED REVENUE BY DEPARTMENT**

<u>DEPARTMENT</u>	<u>Actual FY 08</u>	<u>Budgeted FY 09 (1)</u>	<u>Appropriated FY 10 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$46,077,938	\$118,245,810	\$114,120,165	(\$4,125,645)	-3.5%
Veterans Affairs	\$8,970,180	\$12,953,437	\$13,277,756	\$324,319	2.5%
State	\$14,621,727	\$18,448,324	\$16,581,054	(\$1,867,270)	-10.1%
Justice	\$559,407	\$1,309,919	\$1,311,091	\$1,172	0.1%
Lt. Governor	\$1,000	\$150,000	\$150,000	\$0	0.0%
Treasury	\$6,154,693	\$7,241,041	\$7,579,339	\$338,298	4.7%
Public Service Comm.	\$0	\$0	\$0	\$0	0.0%
Agriculture	\$8,082,454	\$10,709,860	\$10,419,016	(\$290,844)	-2.7%
Insurance	\$27,811,782	\$29,859,482	\$27,713,242	(\$2,146,240)	-7.2%
Economic Development	\$983,568	\$17,906,381	\$2,869,797	(\$15,036,584)	-84.0%
Culture, Rec. & Tourism	\$25,091,271	\$25,543,591	\$23,500,545	(\$2,043,046)	-8.0%
Transp. & Development	\$40,214,541	\$54,217,007	\$44,116,161	(\$10,100,846)	-18.6%
Corrections	\$34,461,475	\$41,479,773	\$44,507,543	\$3,027,770	7.3%
Public Safety	\$111,438,297	\$125,368,623	\$127,881,648	\$2,513,025	2.0%
Youth Services	\$593,538	\$722,738	\$674,341	(\$48,397)	-6.7%
Health and Hospitals	\$60,616,387	\$59,366,870	\$63,392,626	\$4,025,756	6.8%
Social Services	\$16,296,832	\$16,402,040	\$16,940,123	\$538,083	3.3%
Natural Resources	\$81,602	\$745,875	\$365,875	(\$380,000)	-50.9%
Revenue	\$40,701,739	\$80,115,751	\$83,292,634	\$3,176,883	4.0%
Environmental Quality	\$78,350	\$389,385	\$389,385	\$0	0.0%
Labor	\$640,439	\$19,417	\$0	(\$19,417)	-100.0%
Wildlife and Fisheries	\$51,154	\$90,300	\$124,500	\$34,200	37.9%
Civil Service	\$602,808	\$652,637	\$664,728	\$12,091	1.9%
Retirement Systems	\$0	\$0	\$0	\$0	0.0%
Higher Education	\$699,991,509	\$771,600,226	\$815,039,170	\$43,438,944	5.6%
Special Schools & Comm.	\$920,842	\$1,535,589	\$1,093,383	(\$442,206)	-28.8%
Elem. & Secondary Ed	\$2,257,180	\$9,849,867	\$4,359,498	(\$5,490,369)	-55.7%
Health Care Svc. Division	\$0	\$0	\$0	\$0	0.0%
Other Requirements	\$279,899	\$288,034	\$288,034	\$0	0.0%
<b>General Appropriation Total</b>	<b>\$1,147,580,612</b>	<b>\$1,405,211,977</b>	<b>\$1,420,651,654</b>	<b>\$15,439,677</b>	<b>1.1%</b>
Ancillary	\$1,058,128,297	\$1,422,595,940	\$1,429,103,692	\$6,507,752	0.5%
Judiciary	\$0	\$0	\$0	\$0	0.0%
Legislative	\$11,540,191	\$16,995,023	\$19,714,162	\$2,719,139	16.0%
Capital Outlay Cash *	\$89,443,594	\$86,964,574	\$70,650,652	(\$16,313,922)	-18.8%
<b>Other Approp. Bills' Total</b>	<b>\$1,159,112,082</b>	<b>\$1,526,555,537</b>	<b>\$1,519,468,506</b>	<b>(\$7,087,031)</b>	<b>-0.5%</b>
<b>Non-Approp. Required</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Grand Total</b>	<b>\$2,306,692,694</b>	<b>\$2,931,767,514</b>	<b>\$2,940,120,160</b>	<b>\$8,352,646</b>	<b>0.3%</b>

(1) Budgeted as of June 30, 2009.

(2) Appropriated in Act 10 of 2009 Regular Session. Does not include carry-forward BA-7s.

\* Inclusive of Reappropriated Cash (\$3,389,206).

**STATUTORY DEDICATIONS BY DEPARTMENT**

<u>DEPARTMENT</u>	<u>Actual FY 08</u>	<u>Budgeted FY 09 (1)</u>	<u>Appropriated FY 10 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$493,683,851	\$191,752,982	\$96,216,618	(\$95,536,364)	(49.8%)
Veterans Affairs	\$0	\$357,605	\$300,000	(\$57,605)	0.0%
State	\$4,974,366	\$17,958,681	\$14,464,805	(\$3,493,876)	(19.5%)
Justice	\$7,906,828	\$11,088,495	\$9,997,501	(\$1,090,994)	(9.8%)
Lt. Governor	\$0	\$24,700	\$0	(\$24,700)	0.0%
Treasury	\$484,106	\$2,221,417	\$2,321,417	\$100,000	4.5%
Public Service Comm.	\$8,805,094	\$8,492,707	\$8,993,160	\$500,453	5.9%
Agriculture	\$34,409,190	\$36,897,367	\$33,394,085	(\$3,503,282)	(9.5%)
Insurance	\$30,057,382	\$1,115,931	\$1,125,183	\$9,252	0.8%
Economic Development	\$34,144,323	\$226,377,076	\$67,169,176	(\$159,207,900)	(70.3%)
Culture, Rec. & Tourism	\$5,190,686	\$5,585,941	\$3,097,950	(\$2,487,991)	(44.5%)
Transp. & Development	\$424,488,969	\$506,137,721	\$466,723,047	(\$39,414,674)	(7.8%)
Corrections	\$54,000	\$9,125,115	\$54,000	(\$9,071,115)	(99.4%)
Public Safety	\$123,845,989	\$151,819,783	\$132,231,167	(\$19,588,616)	(12.9%)
Youth Services	\$3,873,728	\$6,221,328	\$375,000	(\$5,846,328)	(94.0%)
Health and Hospitals	\$692,468,674	\$342,143,924	\$304,180,882	(\$37,963,042)	(11.1%)
Social Services	\$5,682,004	\$28,937,242	\$9,355,394	(\$19,581,848)	(67.7%)
Natural Resources	\$91,076,929	\$127,588,914	\$166,589,237	\$39,000,323	30.6%
Revenue	\$964,458	\$1,943,854	\$1,801,760	(\$142,094)	(7.3%)
Environmental Quality	\$92,394,115	\$115,429,207	\$115,109,579	(\$319,628)	(0.3%)
Labor	\$102,064,335	\$112,520,095	\$112,912,315	\$392,220	0.3%
Wildlife and Fisheries	\$69,077,092	\$80,773,785	\$86,010,190	\$5,236,405	6.5%
Civil Service	\$1,541,767	\$1,625,133	\$1,730,090	\$104,957	6.5%
Retirement Systems	\$0	\$0	\$0	\$0	0.0%
Higher Education	\$155,202,803	\$139,355,803	\$158,661,810	\$19,306,007	13.9%
Special Schools & Comm.	\$53,841,338	\$68,401,698	\$48,448,485	(\$19,953,213)	(29.2%)
Elem. & Secondary Ed	\$306,013,287	\$353,384,928	\$274,658,269	(\$78,726,659)	(22.3%)
Health Care Srvc. Division	\$0	\$7,870,000	\$0	(\$7,870,000)	0.0%
Other Requirements	\$307,284,028	\$316,999,472	\$155,987,903	(\$161,011,569)	(50.8%)
<b>General Appropriation Total</b>	<b>\$3,049,529,342</b>	<b>\$2,872,150,904</b>	<b>\$2,271,909,023</b>	<b>(\$600,241,881)</b>	<b>(20.9%)</b>
Ancillary	\$28,706,761	\$93,158,031	\$265,292,919	\$172,134,888	184.8%
Judiciary	\$6,108,424	\$8,087,811	\$9,126,715	\$1,038,904	12.8%
Legislative	\$0	\$6,650,000	\$0	(\$6,650,000)	0.0%
Capital Outlay Cash	\$921,396,821	\$873,891,862	\$1,091,172,339	\$217,280,477	24.9%
<b>Other Approp. Bills' Total</b>	<b>\$956,212,006</b>	<b>\$981,787,704</b>	<b>\$1,365,591,973</b>	<b>\$383,804,269</b>	<b>39.1%</b>
<b>Non-Approp. Required</b>	<b>\$127,769,584</b>	<b>\$130,500,000</b>	<b>\$81,800,000</b>	<b>(\$48,700,000)</b>	<b>(37.3%)</b>
<b>Grand Total</b>	<b>\$4,133,510,932</b>	<b>\$3,984,438,608</b>	<b>\$3,719,300,996</b>	<b>(\$265,137,612)</b>	<b>(6.7%)</b>

(1) Budgeted as of June 30, 2009.

(2) Appropriated in Act 10 of 2009 Regular Session. Does not include carry-forward BA-7s.

**INTERIM EMERGENCY BOARD FUNDS DISTRIBUTED BY DEPARTMENT**

<u>DEPARTMENT</u>	<u>Actual FY 08</u>	<u>Budgeted FY 09 (1)</u>	<u>Appropriated FY 10 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$2,272,892	\$1,448,105	\$0	(\$1,448,105)	(100.0%)
Veterans Affairs	\$0	\$0	\$0	\$0	0.0%
State	\$0	\$0	\$0	\$0	0.0%
Justice	\$0	\$0	\$0	\$0	0.0%
Lt. Governor	\$0	\$0	\$0	\$0	0.0%
Treasury	\$0	\$0	\$0	\$0	0.0%
Public Service Comm.	\$0	\$0	\$0	\$0	0.0%
Agriculture	\$0	\$0	\$0	\$0	0.0%
Insurance	\$0	\$0	\$0	\$0	0.0%
Economic Development	\$0	\$0	\$0	\$0	0.0%
Culture, Rec. & Tourism	\$0	\$600,000	\$0	(\$600,000)	0.0%
Transp. & Development	\$0	\$0	\$0	\$0	0.0%
Corrections	\$500,000	\$0	\$0	\$0	#DIV/0!
Youth Services	\$0	\$0	\$0	\$0	0.0%
Public Safety	\$0	\$0	\$0	\$0	0.0%
Health and Hospitals	\$0	\$684,000	\$0	(\$684,000)	(100.0%)
Social Services	\$0	\$0	\$0	\$0	0.0%
Natural Resources	\$0	\$0	\$0	\$0	0.0%
Revenue	\$0	\$0	\$0	\$0	0.0%
Environmental Quality	\$0	\$0	\$0	\$0	0.0%
Labor	\$0	\$0	\$0	\$0	0.0%
Wildlife and Fisheries	\$0	\$0	\$0	\$0	0.0%
Civil Service	\$4,949	\$0	\$0	\$0	#DIV/0!
Retirement Systems	\$0	\$0	\$0	\$0	0.0%
Higher Education	\$64,950	\$4,233,828	\$0	(\$4,233,828)	(100.0%)
Special Schools & Comm.	\$0	\$0	\$0	\$0	0.0%
Elem. & Secondary Ed	\$0	\$0	\$0	\$0	0.0%
Health Care Svc. Division	\$5,985	\$1,425,669	\$0	(\$1,425,669)	(100.0%)
Other Requirements	\$0	\$525,700	\$0	(\$525,700)	0.0%
<b>General Appropriation Total</b>	<b>\$2,848,776</b>	<b>\$8,917,302</b>	<b>\$0</b>	<b>(\$8,917,302)</b>	<b>(100.0%)</b>
Ancillary	\$0	\$0	\$0	\$0	0.0%
Judiciary	\$0	\$0	\$0	\$0	0.0%
Legislative	\$0	\$0	\$0	\$0	0.0%
Capital Outlay Cash	\$1,100,000	\$0	\$0	\$0	#DIV/0!
<b>Other Approp. Bills' Total</b>	<b>\$1,100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Non-Approp. Required</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Grand Total</b>	<b>\$3,948,776</b>	<b>\$8,917,302</b>	<b>\$0</b>	<b>(\$8,917,302)</b>	<b>(100.0%)</b>

(1) Budgeted as of June 30, 2009.

(2) Appropriated in Act 10 of 2009 Regular Session. Does not include carry-forward BA-7s.

## FEDERAL FUNDS BY DEPARTMENT

<u>DEPARTMENT</u>	<u>Actual FY 08</u>	<u>Budgeted FY 09 (1)</u>	<u>Appropriated FY 10 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$5,768,136,101	\$7,741,144,482	\$6,256,598,036	(\$1,484,546,446)	-19.2%
Veterans Affairs	\$11,704,185	\$20,270,559	\$24,094,798	\$3,824,239	18.9%
State	\$0	\$0	\$0	\$0	0.0%
Justice	\$3,292,620	\$4,494,459	\$5,468,788	\$974,329	21.7%
Lt. Governor	\$6,456,290	\$7,762,922	\$5,998,769	(\$1,764,153)	-22.7%
Treasury	\$0	\$1,000	\$0	(\$1,000)	-100.0%
Public Service Comm.	\$0	\$0	\$0	\$0	0.0%
Agriculture	\$17,860,245	\$16,626,928	\$12,173,415	(\$4,453,513)	-26.8%
Insurance	\$313,454	\$804,061	\$548,593	(\$255,468)	-31.8%
Economic Development	\$1,073,479	\$7,826,246	\$0	(\$7,826,246)	-100.0%
Culture, Rec. & Tourism	\$14,455,440	\$11,873,354	\$9,923,519	(\$1,949,835)	-16.4%
Transp. & Development	\$11,335,528	\$22,819,543	\$21,047,220	(\$1,772,323)	-7.8%
Corrections	\$2,640,587	\$3,329,151	\$3,149,115	(\$180,036)	-5.4%
Public Safety	\$20,518,675	\$41,051,682	\$36,934,538	(\$4,117,144)	-10.0%
Youth Services	\$416,905	\$537,921	\$537,921	\$0	0.0%
Health and Hospitals	\$4,822,653,111	\$5,793,815,442	\$5,477,760,288	(\$316,055,154)	-5.5%
Social Services	\$615,172,730	\$781,712,747	\$908,256,029	\$126,543,282	16.2%
Natural Resources	\$25,531,294	\$42,014,992	\$84,105,761	\$42,090,769	100.2%
Revenue	\$373,199	\$394,000	\$394,000	\$0	0.0%
Environmental Quality	\$18,712,626	\$27,967,804	\$30,417,643	\$2,449,839	8.8%
Labor	\$136,865,044	\$190,970,251	\$161,489,800	(\$29,480,451)	-15.4%
Wildlife and Fisheries	\$30,678,559	\$82,890,216	\$82,920,431	\$30,215	0.0%
Civil Service	\$0	\$0	\$0	\$0	0.0%
Retirement Systems	\$0	\$0	\$0	\$0	0.0%
Higher Education	\$143,536,753	\$102,977,884	\$177,592,732	\$74,614,848	72.5%
Special Schools & Comm.	\$22,851,075	\$37,737,086	\$44,202	(\$37,692,884)	-99.9%
Elem. & Secondary Ed	\$1,082,695,191	\$1,185,223,863	\$1,463,604,315	\$278,380,452	23.5%
Health Care Srvc. Division	\$0	\$0	\$0	\$0	0.0%
Other Requirements	\$0	\$0	\$0	\$0	0.0%
<b>General Appropriation Total</b>	<b>\$12,757,273,091</b>	<b>\$16,124,246,593</b>	<b>\$14,763,059,913</b>	<b>(\$1,361,186,680)</b>	<b>-8.4%</b>
Ancillary	\$31,699	\$0	\$0	\$0	#DIV / 0!
Judiciary	\$0	\$0	\$0	\$0	0.0%
Legislative	\$0	\$0	\$0	\$0	0.0%
Capital Outlay Cash	\$126,023,918	\$14,346,000	\$34,935,400	\$20,589,400	143.5%
<b>Other Approp. Bills' Total</b>	<b>\$126,055,617</b>	<b>\$14,346,000</b>	<b>\$34,935,400</b>	<b>\$20,589,400</b>	<b>143.5%</b>
<b>Non-Approp. Required</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Grand Total</b>	<b>\$12,883,328,708</b>	<b>\$16,138,592,593</b>	<b>\$14,797,995,313</b>	<b>(\$1,340,597,280)</b>	<b>-8.3%</b>

(1) Budgeted as of June 30, 2009.

(2) Appropriated in Act 10 of 2009 Regular Session. Does not include carry-forward BA-7s.

## ONE-TIME FUNDING FOR FY 10

(Exclusive of ARRA Funding)

<u>DEPARTMENT</u>	<u>TOTAL</u>
a Executive	\$4,145,587
Veterans' Affairs	\$0
State	\$300,000
Justice	\$125,000
Lt. Governor	\$0
Treasury	\$0
Public Service Commission	\$0
Agriculture & Forestry	\$2,000,003
Insurance	\$0
b Economic Development	\$3,981,515
Culture, Recreation and Tourism	\$7,103,962
Transportation & Development	\$1,549,765
c Corrections	\$8,152,702
Public Safety	\$30,000
Youth Services	\$0
d Health & Hospitals	\$228,738,698
e Social Services	\$28,215,854
Natural Resources	\$0
Revenue	\$0
Environmental Quality	\$0
Workforce Commission	\$0
Wildlife & Fisheries	\$100,000
Civil Service	\$0
Retirement Systems	\$0
f Higher Education	\$102,600,000
Special Schools & Commissions	\$0
g Elementary & Secondary Education	\$10,919,000
LSU Health Care Services Division	\$0
h Other Requirements	\$19,295,103
<b>General Appropriation Total</b>	<b>\$417,257,189</b>
Ancillary	\$0
Judiciary	\$0
Legislature	\$0
I Capital Outlay - Cash Portion	\$782,290,000
<b>Other Approp. Bills' Total</b>	<b>\$782,290,000</b>
Parish Sev, Roy, Hwy Fd #2	\$0
Rev. Sharing & Interim Emergency	\$0
State G.O. Debt Service	\$0
<b>Non-Approp. Required</b>	<b>\$0</b>
<b>Grand Total</b>	<b>\$1,199,547,189</b>

- a FY 10 appropriations contained within Act 122 of 2009 (Supplemental Appropriation Bill).
- b FY 08 surplus funds appropriated in Act 122: \$2M for FastStart from the LA Mega-Project Development Fund related to the V-vehicle project, \$1.2M for Saint Gobain from the Rapid Response Fund, \$200,000 to each of Northeast LA Alliance and LA Immersive Technologies Enterprise, \$150,000 to Capital Area Regional Economic Development, \$135,000 to Iberia Economic Development Authority, \$50,000 to Greenwell Springs/ Airline Economic Development District and \$15,505 to each of DeQuincy, New Llano and Vinton Downtown Development Districts.
- c \$4.5M in SGR funding from prior year collections (balance) from probation and parole fees, \$247,000 in IAT from FEMA reimbursements, and \$3,405,702 in SGF, which is contingent funding contained in Act 122 of 2009.
- d One-time SSBG funding for Medicaid (\$48M); \$42.3M Statutory Dedications (MATF excess and interest earnings): \$21.8M Statutory Dedications (MTFE principle) for nursing home rebase; one-time revenues from the NOW fund for in MVA and MVP (\$19.6M); one-time SSBG in MVA for Coordinated Care Program (\$2M); Office of the Secretary/DHH for poison control contract w/LSU Shreveport (\$550,000); Office of the Secretary for Mary Bird Cancer Center, LA Foundation for the Handicapped and the Family Practice Residency Program (\$831,100); Supplemental Social Services Block Grant Funds (\$83.5M); and \$9.5M SSBG

- funding for OAD for medically supported detox beds.
- e Act 122 (\$927,974) and Supplemental Social Services Block Grant Funds (\$27,287,880).
  - f Includes \$29M in SGF from the Department of Education, \$86.2M in Budget Stabilization Fund, and \$13.5M from the Rapid Response Fund (due to the return of an economic development incentive package by the Shaw Group).
  - g Statutory Dedications funding from the Overcollections Fund (\$4.669M) and Academic Improvement Fund (\$6M), and \$250,000 SGF appropriated in Act 122 for Project Learn.
  - h FY 10 appropriations contained within Act 122. Schedule # 20-945 totals \$19,295,103 (\$17,070,103 SGF; \$2.225M in Statutory Dedications)
  - I FY 08 surplus funds

**Note:** Included within Act 122 of 2009 are FY 10 appropriations funded with approximately \$179.2M of one-time funding sources. Those specific sources are one-time fund transfers into the SGF. Those amounts include: \$3.9M from the Incentive Fund, \$86.2M Budget Stabilization Fund, \$75.6M Insure LA Incentive Program Fund & \$13.5M from the Rapid Response Fund (return of inducements from The Shaw Group).

**THE AMERICAN RECOVERY & REINVESTMENT ACT (ARRA) FUNDING FOR FY 10**

<u>DEPARTMENT</u>	<u>TOTAL</u>
* /a Executive	\$30,865,498
Veterans' Affairs	\$0
* State	\$21,773,971
* Justice	\$6,235,062
* /b Lt. Governor	\$2,597,884
* Treasury	\$516,116
Public Service Commission	\$0
* Agriculture & Forestry	\$12,945,938
Insurance	\$0
Economic Development	\$0
* /c Culture, Recreation and Tourism	\$22,095,922
Transportation & Development	\$0
Corrections	\$0
Public Safety	\$0
d Youth Services	\$3,150,000
e Health & Hospitals	\$571,353,046
f Social Services	\$55,290,438
Natural Resources	\$42,749,850
Revenue	\$0
g Environmental Quality	\$3,511,189
h Labor	\$70,407,291
Wildlife & Fisheries	\$0
Civil Service	\$0
Retirement Systems	\$0
* Higher Education	\$189,700,000
Special Schools & Commissions	\$0
* /I Elementary & Secondary Education	\$479,031,228
LSU Health Care Services Division	\$0
Other Requirements	\$0
<b>General Appropriation Total</b>	<b>\$1,512,223,433</b>
j Ancillary	\$52,311,000
Judiciary	\$0
Legislature	\$0
k Capital Outlay - Cash Portion	\$1,000,000
<b>Other Approp. Bills' Total</b>	<b>\$53,311,000</b>
Parish Sev, Roy, Hwy Fd #2	\$0
Rev. Sharing & Interim Emergency	\$0
State G.O. Debt Service	\$0
<b>Non-Approp. Required</b>	<b>\$0</b>
<b>Grand Total</b>	<b>\$1,565,534,433</b>

\* Federal ARRA funds (\$354.5M) originally received by DOA and allocated to statewide elected officials, of which \$30.8 was retained by DOA.

a Small Cities Program (\$7,474,898); LA Commission on Law Enforcement (\$22,426,754); and Office for Elderly Affairs (\$963,846).

b Includes \$1,243,792 IAT from DOA and \$1,354,092 for existing and new AmeriCorps programs.

c Includes \$21,785,122 IAT from DOA and \$310,800 for the Arts in Education model school program.

d IAT funding (Federal stimulus funds) from the LA Commission on Law Enforcement. Federal funding is from the Edward Byrne Memorial Justice Grant Program (Byrne /JAG).

e Public Health (\$2,553,046) - Immunization vaccinations (\$2,395,546) and Drinking Water Revolving Loan Fund administration expenses (\$157,500); and Medicaid (\$568.8M).

f OFS (\$39,681,130) - Supplemental Nutrition Assistance Program (\$2,667,130); Child Support Enforcement (\$17M); and Child Care and Development (\$20.014M).

OCS (\$10,298,413) - Emergency Homelessness Shelter Grants \$6,770,820; Foster Care 6.2% FMAP increase (\$3,527,593)

LRS (\$5,310,895) - Vocational Rehabilitation Services (\$4,947,661); Independent Living Services (\$298,760); and Administration & Support (\$64,474).

g Includes \$1,297,500 Diesel Emissions Inventory; \$1,887,289 Leaking Underground Storage Tanks; and \$326,400 for Water Quality.

h \$39,906,390 for Workforce Investment Act, \$23,473,377 for Community Services Block Grants and \$7,027,524 for Unemployment Insurance Administrative Expenses.

I Includes \$100.3M in IAT from DOA for the MFP and \$378,731,408 for Title I and IDEA.

j \$25M for the Municipal Facilities Revolving Loan Fund and \$27.311M for the Safe Drinking Water Revolving Loan Fund.

k Statewide capital outlay projects by DOA.

**NUMBER OF POSITIONS BY DEPARTMENT**

<u>DEPARTMENT</u>	<u>1997-98</u>	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>Budgeted 2008-09</u>	<u>Approp. 2009-10</u>	<u>Change 2008-09 to 2009-10</u>
Executive	1,495	1,580	1,718	1,889	2,065	2,361	1,951	2,046	2,064	2,114	2,327	2,212	2,100	(115)
Veterans Affairs (a)	0	0	0	0	0	0	410	556	554	642	830	809	816	(21)
State	270	273	277	291	291	283	229	285	290	328	348	342	337	(6)
Justice	356	426	439	442	452	456	431	516	509	524	531	521	507	(10)
Lt. Governor	7	7	8	9	9	9	9	13	13	14	28	28	25	0
Treasury	48	50	50	54	55	55	56	60	60	60	65	66	63	1
Public Service Comm.	113	113	116	116	119	134	122	122	122	122	122	94	103	(28)
Agriculture	825	839	839	788	824	831	822	831	805	798	829	785	710	(75)
Insurance	269	275	296	272	272	273	273	277	277	280	289	281	274	(7)
Economic Development	374	363	365	345	92	100	101	100	99	100	119	131	131	0
Culture, Rec., Tourism	588	651	659	636	658	694	693	734	768	773	785	787	770	(17)
Transp. and Development	5,558	5,491	5,606	5,354	5,342	5,280	5,271	5,154	5,137	4,998	4,872	4,837	4,704	(133)
Corrections Services	7,391	7,473	8,017	8,234	8,130	8,039	6,423	6,352	6,113	6,172	6,517	6,124	5,985	(139)
Public Safety	2,966	2,959	3,028	2,808	2,802	2,872	2,940	2,854	2,837	2,844	2,936	2,889	2,853	(36)
Youth Services (b)	0	0	0	0	0	0	1,492	1,362	1,310	1,277	1,358	1,275	1,187	(88)
Health & Hosp./LHCA	13,114 (c)	13,335 (c)	13,573	12,574	12,715	12,780	12,857	12,274	12,078	12,064	12,324	11,635	11,322	(313)
Social Services	6,647	6,537	6,523	5,845	5,788	5,515	5,323	5,269	5,193	5,169	5,242	5,057	4,935	(122)
Natural Resources	448	488	490	442	474	491	496	508	494	495	507	510	508	(2)
Revenue	1,059	1,020	1,053	1,015	1,020	977	942	929	928	934	947	877	857	(20)
Environmental Quality	1,009	1,063	1,060	1,063	1,054	1,002	1,018	1,021	1,020	986	994	933	933	0
Labor	1,259	1,262	1,263	1,240	1,168	1,206	1,208	1,208	1,196	1,107	1,091	1,063	928	(135)
Wildlife and Fisheries	839	823	832	809	797	792	786	797	798	795	802	800	783	(17)
Civil Service	174	179	182	183	180	181	176	175	174	167	172	187	189	2
Retirement Systems (d)	230	249	260	259	268	290	306	307	307	307	358	363	360	(3)
Higher Education (e)	35,929 (c)	37,132 (c)	39,058 (f)	40,049	40,308	41,110	30,606	32,259	33,113	31,310	34,333	34,504	34,561	57
Special Schools & Comm.	871	894	923	1,030	1,021	1,045	1,045	1,073	1,051	979	875	868	806	(62)
Dept. of Education	969	945	1,052	1,061	1,005	1,037	1,022	900	831	818	857	747	739	(8)
<b>Approp. Bill Total</b>	<b>82,808</b>	<b>84,427</b>	<b>87,687</b>	<b>86,808</b>	<b>86,909</b>	<b>87,813</b>	<b>77,008</b>	<b>77,982</b>	<b>78,141</b>	<b>76,177</b>	<b>80,458</b>	<b>78,725</b>	<b>77,486</b>	<b>(1,239)</b>
Ancillary Bill	901	968	1,027	961	950	958	837	966	968	958	984	956	903	(53)
<b>Total with Ancillary</b>	<b>83,709</b>	<b>85,395</b>	<b>88,714</b>	<b>87,769</b>	<b>87,859</b>	<b>88,771</b>	<b>77,845</b>	<b>78,948</b>	<b>79,109</b>	<b>77,135</b>	<b>81,442</b>	<b>79,681</b>	<b>78,389</b>	<b>(1,292)</b>

(a) FY 04 is Veterans Affairs first fiscal year as a department

(b) Act 7 of the 2004 Regular Session created Youth Services as an independent organizational unit in the Department of Public Safety and Corrections.

(c) Decrease due to a transfer of 10,320 positions from DHH to Higher Education because of the transfer of the charity hospital system.

(d) Funding for Retirement Systems operating budgets are no longer appropriated. Figures reflect positions budgeted by the systems.

(e) Colleges and universities do not have authorized position numbers. These figures are estimates, made by the colleges and universities, of the number of full-time equivalent unrestricted employees.

(f) Vo-Tech positions included in Higher Education total with the creation of the LCTCS effective July 1, 1999.

**Capital Outlay Appropriation  
Act 20 of 2009**

<b>Means of Finance Category</b>	<b>Appropriation Less Vetoed Items</b>
<b>Cash Section</b>	
State General Fund (Direct)	\$794,318,000
Interagency Transfers	\$24,112,530
Self-Generated Revenues	\$67,261,446
<b>Statutory Dedications</b>	
Overcollections Fund	\$500,000
Unclaimed Property Leverage Fund	\$15,000,000
Penalty and Interest Account	\$430,000
LA State Parks Improvement & Repair Fund	\$5,700,000
SU Agricultural Programs Fund	\$1,275,000
Rockefeller Wildlife Refuge & Game Preserve Fund	\$2,880,000
State Hwy Improvement Fund	\$36,800,000
Transportation Trust Fund - Regular	\$204,227,249
Transportation Trust Fund - TIMED	\$20,210,090
Transportation Trust Fund - Federal	\$800,000,000
Aquatic Plant Control Fund	\$150,000
Rapid Response Fund	\$4,000,000
<b>Total Statutory Dedications</b>	<b>\$1,091,172,339</b>
Federal Funds	\$34,935,400
Reappropriated Cash	\$3,389,206
Reappropriated Interest Earnings	\$0
Revenue Bonds	\$1,258,353,400
<b>TOTAL CASH SECTION</b>	<b>\$3,273,542,321</b>
<b>General Obligation Bond Section</b>	
Priority 1	\$1,535,945,000
Priority 2	\$62,070,000
Priority 3	\$2,500,000
Priority 4	\$0
Priority 5	\$600,215,000
<b>TOTAL GENERAL OBLIGATION BONDS</b>	<b>\$2,200,730,000</b>
<b>Bonds NRP/RBP (See Footnote Page 15)</b>	<b>\$33,621,055</b>
<hr/>	
<b>Act 20 of 2009</b>	<b>\$5,507,893,376</b>

**Capital Outlay Bill  
Three Year Comparison**

<b>Cash Section</b>	<b>Act 28 of 2007 FY 08</b>	<b>Act 29 of 2008 FY 09</b>	<b>Act 20 of 2009 FY 10</b>	<b>Difference FY 09 to 10</b>
General Fund	\$17,444,500	\$10,000,000	\$794,318,000	\$784,318,000
Reappropriated Cash	\$2,953,148	\$2,189,574	\$3,389,206	\$1,199,632
Interagency Transfer	\$379,132,000	\$31,532,840	\$24,112,530	(\$7,420,310)
Self-Generated Revenues	\$86,490,446	\$79,225,664	\$67,261,446	(\$11,964,218)
Federal (Includes TTF-Federal)	\$731,923,918	\$601,046,000	\$834,935,400	\$233,889,400
Transportation Trust Fund (TTF-Regular)	\$227,407,183	\$178,212,952	\$204,227,249	\$26,014,297
Tran. Infra. Model for Econ. Dev. (TIMED)	\$26,080,035	\$17,813,221	\$20,210,090	\$2,396,869
Other Statutory Dedication	\$62,009,603	\$72,472,700	\$66,735,000	(\$5,737,700)
Revenue Bonds	\$1,559,310,465	\$1,587,890,400	\$1,258,353,400	(\$329,537,000)
Reappropriations of Interest Earnings	\$0	\$0	\$0	\$0
<b>Total Cash Section</b>	<b>\$3,092,751,298</b>	<b>\$2,580,383,351</b>	<b>\$3,273,542,321</b>	<b>\$693,158,970</b>
<b>General Obligation (G. O.) Bond Section</b>				
Priority I	\$759,715,000	\$1,198,885,000	\$1,535,945,000	\$337,060,000
Priority II	\$537,744,000	\$57,795,000	\$62,070,000	\$4,275,000
Priority III	\$683,150,000	\$0	\$2,500,000	\$2,500,000
Priority IV	\$414,230,000	\$0	\$0	\$0
Priority V	\$2,582,952,520	\$1,028,395,000	\$600,215,000	(\$428,180,000)
<b>Total G. O. Bond Section</b>	<b>\$4,977,791,520</b>	<b>\$2,285,075,000</b>	<b>\$2,200,730,000</b>	<b>(\$84,345,000)</b>
NRP/RBP *	\$7,367,738	\$6,663,523	\$33,621,055	\$26,957,532
<b>Total Capital Outlay Bill Less Vetoes</b>	<b>\$8,077,910,556</b>	<b>\$4,872,121,874</b>	<b>\$5,507,893,376</b>	<b>\$635,771,502</b>

**Notes:**

The Capital Outlay Appropriations for each year above are net of items vetoed by the Governor.  
The Federal means of finance category includes Federal Funds and Transportation Trust Funds-Federal.

\*NRP (Not Requiring a Priority) is the allocation of previously sold bonds.

\*RBP (Reimbursement Bond Proceeds) is the appropriation of funding made available from prepayments of reimbursement bond contracts.

Louisiana Legislative Fiscal Office

## **Section II**

# **FISCAL ACTIONS**

**2009 REGULAR SESSION**

Fiscal Year 2009-2010

**Actions Affecting Major State Tax, License and Fee Estimates  
and Estimates of Net Available State General Fund Revenue**

**2009 Regular Session**

<b>Instrument</b>	<b>Description</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
<b>SESSION ACTIONS - REVENUE</b>							
<b>Sales Tax - General</b>							
Act 461 Regular Session HB 473	Exempts from state sales tax purchases of polyroll tubing sold or used for commercial farm irrigation systems. Effective upon governor's signature.		(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)
Act 473 Regular Session HB 189	Exempts from state sales tax meals served in K-12 and higher education schools, meal plans, hospitals, nursing homes etc. 1% of tax would be effective as of July 1, 2009. Effective upon governor's signature.		(\$750,000)	(\$750,000)	(\$750,000)	(\$750,000)	(\$750,000)
Act 455 Regular Session HB 5	Exempts from state sales tax bait and feed used in production/harvesting of crawfish. Effective July 1, 2009.		(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)
Act 206 Regular Session HB 389	Makes permanent an expiring exclusion from state & local sales tax for purchases/leases of educational materials/equipment by nonpublic schools. The current exclusion was to expire July 1, 2009. This bill makes the exclusion permanent. Effective June 30, 2009.		(\$1,100,000)	(\$1,100,000)	(\$1,100,000)	(\$1,100,000)	(\$1,100,000)
Act 500 Regular Session HB 251	Expands the existing state & local sales tax exemption on 54% of manufactured home prices to include modular homes, effective July 1, 2009. Also, effective January 1, 2010, imposes state & local sales tax to 46% of the price of manufactured homes regardless of a declaration of immovability. Effective June 30, 2009.		(\$300,000)	(\$300,000)	(\$300,000)	(\$300,000)	(\$300,000)
			\$1,400,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000
Act 442 Regular Session SB 9	Exempts from state sales tax the sale of green railroad ties purchased in LA for installation outside the state. Effective July 1, 2009.		(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)
Act 450 Regular Session SB 10	Exempts from state & local sales tax the purchase of manmade CO2 utilized in a qualified tertiary oil recovery process. Effective July 1, 2009.			(\$100,000)	(\$150,000)	(\$200,000)	(\$250,000)
Act 462 Regular Session HB 734	Exempts from state sales tax the purchase, rental, and repair of qualifying radiation therapy equipment, including certain PET/CT equipment. Effective July 1, 2009.		(\$156,000)	(\$148,000)	(\$108,000)	(\$108,000)	(\$108,000)

**Actions Affecting Major State Tax, License and Fee Estimates  
and Estimates of Net Available State General Fund Revenue**

**2009 Regular Session**

<b>Instrument</b>	<b>Description</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
Act 466 Regular Session HB 818	Exempts from state sales tax the purchase of items consumed by wood products and logging industries, as well as repairs and maintenace contracts. Phased in evenly over four years, starting in FY11.			(\$1,500,000)	(\$3,000,000)	(\$4,500,000)	(\$6,000,000)
Act 453 Regular Session SB 52	Provides an annual 3-day (Sept) sales tax holiday for purchases of guns, ammunition, and hunting supplies. Effective upon governor's signature.		(\$120,000)	(\$120,000)	(\$120,000)	(\$120,000)	(\$120,000)
Act 464 Regular Session HB 756	Provides a number of exemptions from state (and local sales tax) as well as other administrative changes to sales tax law. Tax exemptions include: 1) sales of goods by the Cajundome, 2) purchases of materials by the Fuller Center for Housing, 3) purchaes of materials by Hands On New Orleans and by Rebuilding Together New Orleans. Effective July 1, 2009.		(\$235,000)	(\$239,000)	(\$243,000)	(\$248,000)	(\$254,000)
Act 443 Regular Session SB 33	Provides a state & local sales tax exemption for sales made on installations owned and operated by the state Military Dept. Effective July 1, 2009.		(\$14,000)	(\$14,000)	(\$14,000)	(\$14,000)	(\$14,000)
Act 260 Regular Session SB 333	Creates a tax increment financing district in Baton Rouge, the Bluebonnet Convention Hotel Taxing district. Effectively dedicates sales taxes from business sales diverted into the district's businesses from competing businesses outside the district. Effective upon governor's signature.			DECREASE	DECREASE	DECREASE	DECREASE
<b>Personal Income Tax</b>							
Act 478 Regular Session HB 898	Increases film investor tax credit to 30% (from 25%) and decreases the film resident payroll tax credit to 5% (from 10%). Option to redeem credits directly from the state at 85% of face value is also provided. If all productions utilize direct state redemption, FY10 approximate revenue neutrality possible. Effective for productions approved after July 1, 2009.		POSSIBLE REVENUE NEUTRALITY	(\$10,000,000)	(\$20,000,000)	(\$30,000,000)	(\$40,000,000)
				Losses depend on extent of baseline activity levels.			
Act 457 Regular Session HB 106	Exempts from personal income tax the net capital gains from the sale or exchange of an equity interest or substantially all of the assets of a non-publicly traded business domiciled in LA. Effective for tax periods beginning 1/1/2010.		(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)

**Actions Affecting Major State Tax, License and Fee Estimates  
and Estimates of Net Available State General Fund Revenue**

**2009 Regular Session**

<b>Instrument</b>	<b>Description</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
Act 469 Regular Session HB 110	Increases and makes refundable the tax credit for clean-burning motor vehicle fuel property, including fueling dispensing equipment. Effective for payments made by taxpayers beginning with 2009.		(\$164,000)	(\$172,000)	(\$181,000)	(\$190,000)	(\$200,000)
Act 530 Regular Session SB 159	Appears to expand the type of transactions that are eligible to generate film infrastructure tax credits for certain projects. The timing and specific dollar effect on tax collections is uncertain. Maximum state revenue loss exposure is \$12.5 million.		DECREASE	DECREASE	DECREASE	DECREASE	DECREASE
<b>Corporate Income and Franchise Tax</b>							
Act 474 Regular Session HB 215	Provides two port-related tax credits. 1) Investor Credit: 5%/yr for 20-years of total capital costs of qualifying port infrastructure projects. Effective through 2014. 2) Tonnage Credit: \$5/ton for all qualifying tonnage moving through La ports. Effective beginning with tax year 2009.		(\$3,500,000)	(\$4,250,000)	(\$5,000,000)	(\$5,750,000)	(\$6,500,000)
Act 477 Regular Session HB 790	Extends and modifies an existing tax credit program for certain research and development expenditures. Credits are made refundable. The current program expires 12/31/09, but is extended for expenditures made through 12/31/13.		\$0	(\$11,600,000)	(\$11,600,000)	(\$11,600,000)	(\$11,600,000)
Act 475 Regular Session HB 458	Extends the Sound Recording Tax Credit until January 1, 2015. Changes credit to a rebate payment directly to the production firm with Economic Development handling the rebate process on behalf of the participating firm.			(\$3,000,000)	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)
Act 467 Regular Session HB 858	Expands existing refundable tax credits for wind & solar energy systems to apply to taxpayers who do not own the structures where the systems are installed. Effective for tax period 2009 and beyond.		(\$100,000)	(\$200,000)	(\$300,000)	(\$400,000)	(\$500,000)
Act 454 Regular Session SB 277	Expands the type of firms eligible for the program, increases the tax credit to 25% for all eligible expenditures (from 20%/15%/10%), and makes the program permanent. Effective for projects applying on or after July 1, 2009.			(\$250,000)	(\$500,000)	(\$750,000)	(\$1,000,000)
Act 448 Regular Session SB 287	Provides 10% refundable tax credits for expenditures made by nonprofit community theaters between \$25,000 and \$300,000. Total program credits are limited to \$250,000 per year, and only for years 2009 and 2010.		(\$250,000)	(\$250,000)			

**Actions Affecting Major State Tax, License and Fee Estimates  
and Estimates of Net Available State General Fund Revenue**

**2009 Regular Session**

<b>Instrument</b>	<b>Description</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
Act 520 Regular Session HB 733	Provides refundable tax credits for certified green projects expenditures and payroll in various "industries". Available credit rates of 10%, 20%, and 25% depending on project spending, plus 10% for resident payroll. Limited to \$1 million per project and \$5 million per year for entire program. Dependent of receipt of federal funds to support green jobs industries, but federal monies are not required to reimburse state general fund for credit costs.		DECREASE	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)
Act 447 Regular Session SB 252	Provides refundable tax credits of 5% of qualified investment expenditures. A wide variety of industries are eligible, but certain efficiency or capacity gains must be attained. Credit awards are allotted evenly over 5-years, and total program annual allotments are capped at \$10 million per year. Projects must be placed in service after July 1, 2011.				(\$2,000,000)	(\$4,000,000)	(\$6,000,000)
Act 476 Regular Session HB 618	Eliminates the annual \$10 minimum corporate franchise tax. Effective for tax periods beginning in 2010.		(\$373,000)	(\$373,000)	(\$373,000)	(\$373,000)	(\$373,000)
<b>Severance Tax</b>							
Act 450 Regular Session SB 10	Reduces the severance tax by 50% on oil produced from a tertiary recovery project using manmade CO2 (100% exemption until payout of well costs under current law).			(\$500,000)	(\$1,500,000)	(\$2,000,000)	(\$2,500,000)
<b>Excise License (Insurance Premium) Tax</b>							
Act 478 Regular Session HB 898	Requires insurance company investments in Louisiana to be sustained over longer time periods to qualify the firm for the investment tax credit against the premium tax. Effective July 1, 2010.			INCREASE	INCREASE	INCREASE	INCREASE
<b>Total Adjustments To Major State Tax, License And Fee Estimates</b>		<b>\$0</b>	<b>(\$7,137,000)</b>	<b>(\$38,541,000)</b>	<b>(\$53,914,000)</b>	<b>(\$69,078,000)</b>	<b>(\$84,244,000)</b>
<b>SESSION ACTIONS - DEDICATIONS</b>							
<b>Adjustments To Dedications of Major State Tax, License, and Fee Estimates</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL ADJUSTMENTS TO OFFICIAL NET AVAILABLE</b>		<b>\$0</b>	<b>(\$7,137,000)</b>	<b>(\$38,541,000)</b>	<b>(\$53,914,000)</b>	<b>(\$69,078,000)</b>	<b>(\$84,244,000)</b>
<b>STATE GENERAL FUND-DIRECT REVENUE FORECAST</b>		<b>\$0</b>	<b>(\$7,137,000)</b>	<b>(\$38,541,000)</b>	<b>(\$53,914,000)</b>	<b>(\$69,078,000)</b>	<b>(\$84,244,000)</b>



## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>																
01 -100	Executive	Executive Office	Provides funding for a portion (64%) of the salary (\$54,579) and related benefits (\$14,012) for a deputy director position (Inter-governmental Relations) previously paid through the Oil Spill Contingency Fund. The Oil Spill Coordinator's Office and funding was transferred to the Department of Public Safety & Corrections, Public Safety Services in FY 10 pursuant to Act 409 of 2009. Therefore, SGF is needed to fill this funding void in the amount of \$68,591.	\$68,591	\$68,591	0																
01 -100	Executive	Executive Office	Funding for the Witness Protection Services Board within the Office of the Governor. The board shall oversee the state's witness protection services program and coordinate the efforts of state and local law enforcement agencies to protect the health, safety and welfare of critical witnesses or immediate family members of critical witnesses.	\$140,000	\$140,000	0																
01 -107	Executive	Division of Administration	Provides federal block grant funds targeted toward the state's small cities and towns. These funds are for small communities (non-entitlement areas) who must compete for funds through a ranking program. Non-entitlement areas are cities with populations of less than 50,000 and counties with a population of less than 200,000. These funds are to be used for community development activities.	\$0	\$7,474,898	0																
01 -107	Executive	Division of Administration	Adjustment provides for the increased operating and maintenance costs for the Pentagon Courts. Actual expenditures exceed revenue generated from tenants. Expenses include utilities as well as buildings and grounds maintenance. Expenditure and revenue information since FY 07 is shown below:	\$0	\$210,000	0																
			<table border="1"> <thead> <tr> <th></th> <th>Expenditures</th> <th>Revenue (IAT/SGR)</th> <th>SGF Support</th> </tr> </thead> <tbody> <tr> <td>FY 07</td> <td>\$278,370</td> <td>\$139,144</td> <td>\$139,226</td> </tr> <tr> <td>FY 08</td> <td>\$457,676</td> <td>\$200,344</td> <td>\$257,332</td> </tr> <tr> <td>FY 09</td> <td>\$375,269</td> <td>\$181,034</td> <td>\$194,235 (projected)</td> </tr> </tbody> </table>		Expenditures	Revenue (IAT/SGR)	SGF Support	FY 07	\$278,370	\$139,144	\$139,226	FY 08	\$457,676	\$200,344	\$257,332	FY 09	\$375,269	\$181,034	\$194,235 (projected)			
	Expenditures	Revenue (IAT/SGR)	SGF Support																			
FY 07	\$278,370	\$139,144	\$139,226																			
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FY 09	\$375,269	\$181,034	\$194,235 (projected)																			
01 -107	Executive	Division of Administration	Provides federal budget authority to the Community Development Block Grant Program for receipt of U.S. Department of Education State Fiscal Stabilization Funds for allocation to Higher Education, the Department of Education and Elected Officials.	\$0	\$354,500,000	0																
01 -111	Executive	Homeland Security & Emergency Prep	Provides funding to the Administration Program for the National Incident Management Systems and Advanced Technologies (NIMSAT) Institute at the University of LA at Lafayette.	\$200,000	\$200,000	0																
01 -112	Executive	Military Department	Increases funding from the Workforce Commission associated with ARRA monies to support the Job Challenge activity in the Education Program.	\$0	\$816,872	0																
01 -129	Executive	LA Commission on Law Enforcement	Adjustment provides additional statutorily dedicated funding in the amount of \$352,969 for the DARE Program as a result of the Revenue Estimating Conference increasing projections on 12/15/08 for FY 10. Total budget for DARE for FY 09 was \$3,521,634. This increase will result in a DARE budget of \$3,874,603 for FY 10. Source of funds for the DARE Program is the tobacco tax (five-twentieths of one cent per cigarette).	\$0	\$352,969	0																
01 -129	Executive	LA Commission on Law Enforcement	Federal fiscal stimulus funds intended to assist state, local and tribal law enforcement (including support for hiring and job preservation) to combat violence against women, to fight internet crimes against children, to improve the functioning of the criminal justice system, and support youth mentoring.  These funds are broken out as follows:  \$18,250,860 Edward Byrne Memorial Justice Assistance Grant \$1,025,894 Crime Victims Fund Compensation and Assistance Programs	\$0	\$19,276,754	0																

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
01 -133	Executive	Elderly Affairs	Funding for an increase in rent costs associated with a new lease. Elderly Affairs' lease expired in March 2009. The agency currently pays \$13.50/sq. ft. for 11,153 sq. ft. The first bid received was for \$63,433 more than the current lease. This bid was ultimately rejected by the Office of Facility Planning & Control. Two new bids have been received. The low bid received was \$20/sq. ft. for a total of \$185,460/year (includes parking). The second bid was \$21.59/sq. ft. for a total cost of \$200,195/year. Facility Planning has not yet completed their review of the office space to determine whether the low bidder meets specifications.	\$63,433	\$63,433	0
01 -133	Executive	Elderly Affairs	Funding to restore council on aging services and facilities in Plaquemines Parish to the level prior to hurricanes Katrina and Rita.	\$200,000	\$200,000	0
01 -254	Executive	LA Racing Commission	<p>Adjustment provides additional statutorily dedicated funding from the Pari-mutuel Live Racing Facility Gaming Control Fund for equine drug testing. The Racing Commission had a contract with LSU in the amount of \$781,600 that was initiated on 7/1/06 and expired on 6/30/09. The previous contract did not provide for inflation adjustments. This funding covers the new contract along with the increase in fees that LSU is charging the Racing Commission for drug testing. Total amount budgeted in FY 10 for equine drug testing is \$1,290,600.</p> <p>The new contract, effective 7/1/09, takes into consideration new requirements delineated in the "Model Rules" promulgated under the Association of Racing Commissioners International (ARCI) and adopted by the Racing Commission. These enhanced testing requirements along with the addition of an inflationary factor of 3.16% annually will bring the total cost of the 3-year contract to \$3,995,438 which equates to the annual cost as shown below:</p> <p>FY 10 - \$1,290,600  FY 11 - \$1,331,383  FY 12 - \$1,373,455</p>	\$0	\$509,000	0
01 -254	Executive	LA Racing Commission	Increases funding from the Pari-mutuel Live Racing Facility Gaming Control Fund for a security contract for racetracks statewide. According to the Racing Commission, this funding will provide 2 security agents at each of the 4 tracks, plus a supervisor to assist the stewards and track security in monitoring new national standards on medication, safety, and welfare of the horse. The new security personnel will develop information on possible corrupt activities, conduct administrative searches, monitor access to the backstretches of tracks by unlicensed persons or other persons who should not have access to this area, and conduct investigations regarding violations of the racing regulations. Appropriation includes labor (\$467,762), mileage (\$12,314), criminal history and fingerprinting (\$3,000), and miscellaneous expenditures (\$3,000).	\$0	\$486,076	0
<b>Major Enhancements for Executive</b>				<b>\$672,024</b>	<b>\$384,298,593</b>	<b>0</b>

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
03 -131	Veterans' Affairs	LA War Veterans' Home	Additional federal funding for professional services to pay contract services for the Medicare Program implemented in FY 09. These funds will pay for speech, occupational and physical therapy provided to eligible residents.	\$0	\$276,192	0
03 -132	Veterans' Affairs	Northeast LA War Veterans' Home	Additional funding (\$11,748 SGF, \$184,674 SGR and \$99,749 Federal) for increased medical supplies cost and professional services contract in the Medicare Program.	\$11,748	\$296,171	0
03 -134	Veterans' Affairs	Southwest LA War Veterans' Home	<p>Additional funding for acquisition and major repairs to expand electrical outlets to operate off an auxiliary generator power for emergency preparedness. The existing generator powers emergency lighting in the outlying maintenance and activities buildings as well as receptacles located in hallways, veterans' rooms, nursing units and the facility's main nursing administrative area. In addition, the generator provides electrical power to a majority of the kitchen, 2 coolers, freezer, medical vacuum and oxygen auxiliary support port, PA system, telephone system, fire protection and monitoring system, nursing call system and exit lighting.</p> <p>The requested funding will be used to provide power from the existing generator to the kitchen, 8 washers, 4 ice dispensers, office of the Director of Nursing, administrative offices, main dining room, 13 nursing CareTracker patient documentation system kiosks, dietary dish room, air-handler system, computer server room, multi-purpose room, nurses administrative station and pharmacy at facility's center core, and boiler room.</p>	\$100,000	\$100,000	0
03 -135	Veterans' Affairs	Northwest LA War Veterans' Home	Increases funding for expenditures related to expansion of services to the 4th wing of the facility. These funds include start up costs for purchase of supplies and equipment for the 4th wing. As the facility becomes increasingly self-sufficient with federal funding and SGR, the SGF needs of this facility will be reduced.	\$100,000	\$100,000	0
03 -135	Veterans' Affairs	Northwest LA War Veterans' Home	Additional federal funding for staffing needed to assure compliance with federal regulations regarding staff to patient ratios. The staffing will be in line with the positions required at the other facilities around the state with the same bed capacity.	\$0	\$119,233	4
03 -136	Veterans' Affairs	Southeast LA War Veterans' Home	Additional funding (\$100,000 SGF and \$148,141 Federal) for increased expenditures to expand services to the 4th nursing care wing. These funds include start up costs for purchase of supplies and equipment for this expansion as well as an increase in federal funds which represent medicare dollars for residents care.	\$100,000	\$248,141	0
03 -136	Veterans' Affairs	Southeast LA War Veterans' Home	<p>Additional funding (\$78,581 SGR and \$685,759 Federal) for 23 positions to expand services to the 4th nursing care wing. Expansion will generate more revenues from SGR and Federal funding sources. This facility opened in 2007 with 39 beds (one wing) in operation. Two additional wings opened in FY 08 and the final wing was opened following the approval of a BA-7 by the JLCB in March 2009. The utilization of the 4th wing will result in an increase in SGR from residents care and maintenance fees of \$1,664/month plus federal funds derived from the Veterans Administration daily per diem payments of \$74.42/day.</p> <p>The additional staff include: 6 LPNs, 6 Nursing Assistants, 3 Psychiatric Aide Supervisors, 2 Custodians, RN Supervisor, Maintenance Repairer, 3 Food Specialists, and Social Services Coordinator. These positions will be phased in as new patients are added and self-generated and federal revenues are generated from the increased census.</p>	\$0	\$764,340	23
<b>Major Enhancements for Veterans' Affairs</b>				<b>\$311,748</b>	<b>\$1,904,077</b>	<b>27</b>

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
04a-139	State	Secretary of State	Funding for exhibits at the Eddie Robinson Museum. The museum is scheduled to open in November 2009.	\$200,000	\$200,000	0
04a-139	State	Secretary of State	Funding for the Rapides Parish Police Jury for rural life preservation and cultural development. This is pass through funding which provides for the Southern Forest Heritage Museum.	\$100,000	\$100,000	0
04a-139	State	Secretary of State	Provides SGR for relocating office due to renovations at the State Capitol. Funding provides for moving expenses and increased rental payments.	\$0	\$250,000	0
<b>Major Enhancements for State</b>				<b>\$300,000</b>	<b>\$550,000</b>	<b>0</b>
04b-141	Justice	Attorney General	Increases statutorily dedicated funding from the Debt Collections Fund to collect and litigate educational loans owed to public colleges and universities.	\$0	\$333,500	0
04b-141	Justice	Attorney General	Added 7 new positions and the balance of federal grant funding for internet crimes against children. Total funding recommended for FY 10 is \$842,202 (federal) and 12 positions.	\$0	\$49,066	7
04b-141	Justice	Attorney General	Increases federal funding for medical assistance fraud collections. Total funding recommended for FY 10 is \$5,425,935 (\$473,339 SGF; \$891,130 Statutory Dedications from the Medical Assistance Fraud Detection Fund; and \$4,061,466 Federal); and 53 positions.	\$0	\$934,440	0
04b-141	Justice	Attorney General	SGF to provide for Office of Risk Management Premiums.	\$574,252	\$574,252	0
<b>Major Enhancements for Justice</b>				<b>\$574,252</b>	<b>\$1,891,258</b>	<b>7</b>
04c-146	Lieutenant Governor	Lt. Governor	Provides budget authority to receive additional American Recovery & Reinvestment Act (ARRA) funds for existing and new AmeriCorps programs to the LA Serve Commission. The LA Serve Commission was established to promote community service. AmeriCorps grants are awarded to community-based programs serving 32 parishes in LA. These ARRA funds will supplement current programs, as well as the implementation of new programs.	\$0	\$1,354,092	0
<b>Major Enhancements for Lieutenant Governor</b>				<b>\$0</b>	<b>\$1,354,092</b>	<b>0</b>
04d-147	Treasury	State Treasury	SGR for relocation of office due to renovations at the State Capitol.	\$0	\$350,000	0
<b>Major Enhancements for Treasury</b>				<b>\$0</b>	<b>\$350,000</b>	<b>0</b>

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
04f -160	Agriculture & Forestry	Agriculture & Forestry	Increases IAT budget authority from DHH Office of Public Health for the storage of LA's anti viral cache of medications. These stored medications will be utilized to treat and protect LA citizens during an influenza pandemic. The original funding source of this IAT is federal funds.	\$0	\$14,862	0
<b>Major Enhancements for Agriculture &amp; Forestry</b>				<b>\$0</b>	<b>\$14,862</b>	<b>0</b>
04g-165	Insurance	Commissioner of Insurance	Adjustment represents an increase in operating services due to departmental data maintenance contracts that expired on 6/30/09. The Department of Insurance (DOI) will be required to solicit replacement maintenance contracts for various software maintenance items of data processing software. According to the DOI, the data processing equipment software maintenance contracts had been in place for 3 years and were below the approved contractors' table of rates. Thus, the new maintenance contracts will likely cost an additional \$339,863 SGR. In FY 09, the DOI had approximately \$1.1M budgeted in operating services for these contracts. The amount needed in this area for FY 10 is approximately \$1.4M.	\$0	\$339,863	0
<b>Major Enhancements for Insurance</b>				<b>\$0</b>	<b>\$339,863</b>	<b>0</b>
05 -251	Economic Development	Office of Secretary	This adjustment was added in the Supplemental Appropriation Bill, Act 122 of 2009. This appropriation of Mega-Project Development Fund dollars is to provide training through the Fast Start Program for the V-vehicle plant as promised in the Cooperative Endeavor Agreement approved at the JLCB meeting in June 2009. However, this amount was not included in the BA-7 presented at that meeting since these expenses cannot be carried forward between fiscal years. With this appropriation, the total amount of state money appropriated to the V-vehicle project is increased by \$2M to \$69M (not including qualifying tax credits, exclusions, etc.).	\$0	\$2,000,000	0
05 -252	Economic Development	Business Development	Several projects that were previously funded with SGF are now funded through the LA Economic Development Fund. Some of these projects also received enhanced funding:  <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">                     LA Business Incubation Support                      NASA/Michoud Project                      Small &amp; Emerging Business Development Technical Assistance                      Small Business Development Centers                      National Center of Advanced Manufacturing                 </div> <div style="width: 35%;">                     \$100,000 increase to \$400,000 total                      \$98,574 increase to \$132,700 total                      \$313,141 increase to \$800,000 total                      \$211,468 increase to \$1M total                      No increase \$500,000 total                 </div> </div> <p>Most of these initiatives are related to the small business emphasis that the Department has prioritized in FY10. However, the NASA/Michoud project is located in New Orleans East and will help support future space-related production projects at the facility.</p>	\$0	\$723,183	0
05 -252	Economic Development	Business Development	This adjustment increases funding for the Small Business Surety Bonding Fund that provides surety bonding for small businesses, mostly contractors, for help in landing projects that require bonding. Those receiving surety bonds must complete the Contractor's Accreditation Institute before being considered for this program.	\$0	\$297,869	0
<b>Major Enhancements for Economic Development</b>				<b>\$0</b>	<b>\$3,021,052</b>	<b>0</b>

**Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget**

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
06 -261	Culture, Recreation & Tourism	Office of Secretary	Provides funding for the New Orleans Jazz & Heritage Festival. Total recommendation for FY 10 is \$100,000.	\$100,000	\$100,000	0
06 -262	Culture, Recreation & Tourism	State Library	Act 122 (Supplemental Appropriation Bill) provided funding in the amount of \$20,000 for Opelousas-Eunice Public Library, South St. Landry Community Library, and Washington Municipal Library.	\$60,000	\$60,000	0
06 -263	Culture, Recreation & Tourism	State Museum	The Executive Budget reduced pass through funding for the LA Political Hall of Fame Museum by 50%, leaving \$91,314 for the museum. Act 122 (Supplemental Appropriation Bill) provided funding in the amount of \$150,000 for the museum, bringing total funding for the LA Political Hall of Fame Museum to \$241,314.	\$58,686	\$58,686	0
06 -263	Culture, Recreation & Tourism	State Museum	Act 122 (Supplemental Appropriation Bill) provided funding for the city of Alexandria for cultural programs.	\$75,000	\$75,000	0
06 -264	Culture, Recreation & Tourism	State Parks	Provides funding and 4 positions for caretaker status for 2 new parks (Bogue Chitto and Palmetto Island) and a new historic site (Fort Randolph/Buhlow).	\$646,401	\$646,401	4
06 -264	Culture, Recreation & Tourism	State Parks	Act 122 (Supplemental Appropriation Bill) provided funding to support activities at Kent House Historical Site. With this additional funding, Kent House will receive a total of \$177,080 in SGF.	\$125,000	\$125,000	0
06 -265	Culture, Recreation & Tourism	Cultural Development	Provides funding related to programmatic agreement between the U.S. Department of Veterans Affairs, the Federal Emergency Management Agency (FEMA), the city of New Orleans, the State Historic Preservation Officer, and the Advisory Council on Historic Preservation for the funding to repair and replace the VA Medical Center and the Medical Center of LA at New Orleans. This agreement is for house moving in a historic district, for the construction of a new hospital, rehabilitation grants, and Road Home mitigation. The source of monies are from Facility Planning & Control (IAT), Office of Community Development (IAT), city of New Orleans (SGR) and U.S. Department of Veterans Affairs (federal).	\$0	\$2,500,000	0
06 -265	Culture, Recreation & Tourism	Cultural Development	Increases budget authority for the Arts Program to receive additional American Recovery & Reinvestment Act funds. The purpose of this funding is to extend contract services developing the Arts in Education model school program.	\$0	\$310,800	0
<b>Major Enhancements for Culture, Recreation &amp; Tourism</b>				<b>\$1,065,087</b>	<b>\$3,875,887</b>	<b>4</b>

### Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
07 -275	Transportation & Development	Public Works & Interm. Transp.	Payable out of the SGF to the Water Resources & Intermodal Program for levee work in Red River Parish and Bossier Parish as required by the U.S. Corps of Engineers.	\$200,000	\$200,000	0
07 -276	Transportation & Development	Engineering	Funding to East Baton Rouge Parish for a westbound right turn lane from Interline Avenue onto Drusilla Lane and a northbound right turn lane from Drusilla Lane onto Interline Avenue.	\$100,000	\$100,000	0
07 -276	Transportation & Development	Engineering	Provides funding to East Baton Rouge Parish for a right turn lane at Airline Hwy. at Barringer Foreman.	\$55,000	\$55,000	0
07 -276	Transportation & Development	Engineering	Funding to the Operations Program to perform maintenance such as landscaping, signage, and highway striping in St. Tammany Parish along the east side of Hwy. 190 from the Chinchuba River to the east causeway approach.	\$160,000	\$160,000	0
07 -276	Transportation & Development	Engineering	Funding to East Baton Rouge Parish for a turn lane on Celtic at Bluebonnet.	\$55,000	\$55,000	0
07 -276	Transportation & Development	Engineering	Funding for installation of lighting on the I-10 bridge in Lake Charles.	\$100,000	\$100,000	0
07 -276	Transportation & Development	Engineering	Provides funding to purchase asphalt to be used by DOTD's district 61 for overlay of Hwy. 928 (Bluff Road in Ascension Parish).	\$250,000	\$250,000	0
07 -276	Transportation & Development	Engineering	Provides funding to Lafayette Parish Consolidated Government for acquisitions and improvements related to widening Kaliste Saloom Road.	\$200,000	\$200,000	0
07 -276	Transportation & Development	Engineering	Funding to East Baton Rouge Parish to add a lane on Drusilla Lane to Interline Avenue.	\$100,000	\$100,000	0
07 -276	Transportation & Development	Engineering	Funding for East Baton Rouge Parish to add dual northbound left turn lanes on Sharp Road at Florida Blvd.	\$100,000	\$100,000	0
07 -276	Transportation & Development	Engineering	Funding to East Baton Rouge Parish to add dual northbound left turn lanes exiting Drusilla Lane onto Jefferson Hwy.	\$100,000	\$100,000	0
<b>Major Enhancements for Transportation &amp; Development</b>				<b>\$1,420,000</b>	<b>\$1,420,000</b>	<b>0</b>

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
08A-415	Corrections	Adult Probation & Parole	<p>Field Services Program - Increase in funding for 300 passive GPS devices to be utilized for monitoring sex offenders. Eleven (11) vacant positions will be reassigned to provide intensive supervision to the additional sex offenders being monitored.</p> <p>Funding will provide for:                      Professional Services - Costs for the 300 passive GPS monitoring devices (300 units * \$4.44 per day * 365 days).                      Acquisitions - Includes vehicles, vests, radios, firearms and office equipment for officers who will be assigned to monitor the additional 300 sex offenders.                      Operating Services - Includes travel, general operating services and supplies (insurance, postage, phone, software, etc.).</p>	\$954,780	\$954,780	0
<b>Major Enhancements for Corrections</b>				<b>\$954,780</b>	<b>\$954,780</b>	<b>0</b>
08B-419	Public Safety	State Police	<p>An increase in the employer portion of retirement contributions due by the department in FY 10. Approximately \$14.8M was budgeted in FY 09 for retirement and according to State Police the amount needed in FY 10 to fully fund the employer portion is approximately \$26.4M or a 41.3% projected employer rate (FY 09 rate is 27%). The reason for the significant increase in the employer portion of 41.3% for FY 10 is due to <u>Act 852 of 2008</u>, which required all funding amortization bases for actuarial charges and credits be amortized to level payments as opposed to being re-amortized, which increases the annual employer contribution payment each fiscal year. The projected cost of Act 852 as reflected in the Actuarial Note for FY 10 was approximately \$5.2M of additional SGF. However, the actual additional need in FY 10 is \$8.8M (\$6,908,124 SGF; \$1,314,726 SGR; and 604,080 Stat. Ded.). After inclusion of the additional \$8.8M in FY 10, there will likely not be significant changes to the employer portion in subsequent fiscal years as Act 852 provides for level amortized payments that do not fluctuate. According to State Police, an additional \$11.6M is needed over FY 09 current budget for state police retirement in FY 10, which is approximately \$2.7M that was not included within the Appropriation Bill. <u>If there is a shortfall/surplus of funding available to fund the employer contribution, the amount is amortized into future agency state police retirement payments and spread over the next 5 years. Thus, the projected \$2.7M projected shortfall in FY 10, could be amortized and spread over the subsequent 5 fiscal years. State police retirement also receives \$1.5M in funding from the LA Insurance Rating Assessment (R.S. 22:1476 (A)(3)(a)(ii)). This amount is not considered in the employee portion need for FY 10.</u></p>	\$6,908,124	\$8,826,930	0
08B-419	Public Safety	State Police	<p>Adjustment increases SGR for the State Police Crime Lab to continue to integrate the Laboratory Information Management System (LIMS), move to an electronic imaging system, and secure technology to collaborate and communicate with clients more efficiently. LIMS is computer software that is used in a lab for the management of samples.</p>	\$0	\$300,000	0
08B-419	Public Safety	State Police	<p>Federal Community Oriented Policing Services (COPS) grant funding for a web-based pilot program to reduce the production, distribution and use of methamphetamines.</p>	\$0	\$300,000	0

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
08B-419	Public Safety	State Police	Provides funding for the Sprint/Nextel Rebanding Project. According to State Police, the Federal Communication Commission (FCC) mandated this project in 2004 and the purpose of the project is to reconfigure or update the 800 MHz band to minimize harmful interference to public safety radio communications systems. Due to FCC mandate, Sprint/Nextel will pay the state to reconfigure the impacted radio frequency allocations. Thus, the requested increase in fees and self-generated revenues represents funding provided by Sprint/Nextel to the state for this project. Because the state is in the process of providing an interoperability solution, which entails converting from the 800 MHz system to the 700 MHz system, this project will essentially provide infrastructure funding for this conversion to the new 700 MHz communication system. The requested expenditure authority will be appropriated as follows: \$48,000 - Travel, \$4,342,219 - Acquisitions.  The overall total cost of this project is approximately \$9.7M in which Sprint/Nextel has agreed to pay the state in 3 agreements: \$191,530 - Planning Funding Agreement, \$6,741,929 - Frequency Reconfiguration Agreement, \$2,739,628 - Subscriber Equipment Deployment. State Police will receive \$6M while various other state/local entities will receive the remaining \$3.7M.	\$0	\$4,390,219	0
08B-419	Public Safety	State Police	Provides funding for access to the National Motor Vehicle Title Information System (NMVTIS). According to the department, this is a federal mandate by the U.S. Department of Justice to assist with the regulation of the federal Anti-Theft Car Act. NMVTIS will allow the titling agency to instantly and reliably verify the information on the paper title with the electronic data from the state where the vehicle is currently titled prior to the new state issuing a title. This is being funded with the Insurance Fraud Fund.	\$0	\$150,000	0
08B-420	Public Safety	Motor Vehicles	Adjustment represents an increase for the Organ Donor Program. This program was originally appropriated \$100,000 in FY 09 and reduced \$5,000 in mid-year budget reductions. The General Appropriation Bill includes \$100,000 for the program, which represents an enhancement of \$5,000 over FY 09 existing operating budget.	\$5,000	\$5,000	0
08B-422	Public Safety	State Fire Marshal	Increases funding from the 2% Fire Insurance Fund to pay insurance premiums to volunteer firefighters in FY 10. The projected FY 10 premium will be \$555,996.	\$0	\$27,800	0
08B-422	Public Safety	State Fire Marshal	Provides \$50,000 in Statutory Dedications from the LA State Fire Marshal Fund to be transferred to Military Affairs for fire protection at Camp Minden.	\$0	\$50,000	0
08B-422	Public Safety	State Fire Marshal	Provides funding for Central Fire Protection District No. 4 in East Baton Rouge Parish.	\$20,000	\$20,000	0
08B-422	Public Safety	State Fire Marshal	Provides funding for the East Side Fire Protection District No. 5 in East Baton Rouge Parish.	\$10,000	\$10,000	0
08B-423	Public Safety	LA Gaming Control Board	Adjustment represents an increase in the Chairman of the LA Gaming Control Board's salary and related benefits in the amount of \$23,967 Statutory Dedications. <u>The Chairman's salary and related benefits before this increase are \$101,619 (\$100,167 - salary, \$1,452 - related benefits).</u> Per R.S. 27:14(B)(2), the salary of the Chairman of the Board must equal the salary of Courts of Appeal Judges in LA. The MOF utilized is the Riverboat Gaming Enforcement Fund.	\$0	\$23,967	0
<b>Major Enhancements for Public Safety</b>				<b>\$6,943,124</b>	<b>\$14,103,916</b>	<b>0</b>

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
08 -403	Youth Services	Juvenile Justice	Contract Services - Funding to support Local Grants within the Office of Juvenile Justice. Due to the decrease in secure care population and funding for other contract services, this funding will allow OJJ to offset those cuts and contract with entities that used evidence-based practice (EBP) to provide services to youth with programs that have successful objectives and outcomes. Evidence-based Practices (EBP) are described as applications for which there is scientific evidence showing that they improve outcomes for youth. OJJ has committed to utilizing evidence-based practices that promote measurable outcomes and quality services.	\$2,000,000	\$2,000,000	0
08 -403	Youth Services	Juvenile Justice	Contract Services - Funding to support Multisystemic Therapy (MST) within the Office of Juvenile Justice. To enhance these MST services, OJJ is planning to partner with DHH to leverage this funding to receive federal (Medicaid) funding. The federal source of funding is Title 19 federal financial participation. According to MST Services and <a href="http://www.evidencebasedprograms.org">www.evidencebasedprograms.org</a> :  "Multisystemic Therapy is a treatment for juvenile offenders that use a combination of empirically based treatments (e.g. cognitive behavior therapy, behavioral parent training, functional family therapy) to address juvenile behavior. The primary goals of MST are to: (a) reduce youth criminal activity; (b) reduce other types of antisocial behavior such as drug abuse; and (c) achieve these outcomes at a cost savings by decreasing rates of incarceration and out-of-home placement. MST targets chronic, violent, or substance-abusing male and female juvenile offenders at risk of out-of-home placement. The "typical" MST youth is 14-16 years old, lives in a home that is characterized by multiple needs and problems, and has multiple arrests. Multisystemic Therapy costs approximately \$5,800 (in 2007 dollars) per youth treated."	\$2,000,000	\$2,000,000	0
<b>Major Enhancements for Youth Services</b>				<b>\$4,000,000</b>	<b>\$4,000,000</b>	<b>0</b>
09 -	Health & Hospitals					
09 -300	Health & Hospitals	Jefferson Parish Human Services Authority	Provides funding for the Transitional Care Center at the Jefferson Parish Human Services Authority.	\$100,000	\$100,000	0
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$10,000 SGF and \$10,000 Federal) for an interpreter services contract to ensure access to programs and activities by Limited English Proficient (LEP) persons seeking access to health care services. Services will be provided on a case by case basis to existing Medicaid eligibles that require interpreter services at any point of the health delivery process. <u>The contract includes interpreter services for any language, including sign language.</u>	\$10,000	\$20,000	0
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$200,000 Statutory Dedications and \$200,000 Federal) for a Uniform Reporting System for publicly reporting data on hospital quality. Information received from DHH indicates that this new system will serve as a data repository for the purposes of provider benchmarking and accountability, trend reporting on provider operations, and making data available to health care consumers. The source of the Statutory Dedication is one-time revenue deposited into the Health Care Redesign Fund.	\$0	\$400,000	0

**Note:** Approximately \$500,000 was added in FY 09 for this initiative.

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Funding (\$265,121 SGF and \$795,364 Federal) for 15 additional positions in the Health Standards Section. The federal source of funding is Title 19 federal financial participation. The Health Standards Section enforces state licensing and federal certification regulations of various health care providers. In addition to the licensing function, Health Standards reviews/investigates health care facility complaints, and acts to correct facilities deemed out of compliance.</p> <p>Information received from DHH indicates that the Health Standards Section will not be able to meet performance indicator objectives relative to licensing surveys of all the health care providers that are statutorily required to be surveyed, or indicators for facility non-compliance review and follow up activities. DHH has requested 38 new positions, and this adjustment adds 15 and associated funding (average annual salary and related benefits of \$70,699).</p>	\$265,121	\$1,060,485	15
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$20,347 SGF and \$61,039 Federal) for an additional position for implementation of claims editing software.	\$20,347	\$81,386	1
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$20,381 SGF and \$61,145 Federal) for an additional position for implementation of interqual software.	\$20,381	\$81,526	1
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$28,001 SGF and \$28,001 Federal) for an additional position for the Third Party Liability in the Medicaid Recovery Unit.	\$28,001	\$56,002	1
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$38,410 SGF and \$38,410 Federal) for an additional position to ensure compliance with Act 327 of 2007 relative to small rural hospitals. Act 327 requires DHH to reimburse Medicaid claims at 110% of Medicaid cost paid to rural hospitals.	\$38,410	\$76,820	1
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$18,267 SGF and \$54,802 Federal) for an additional position to conduct fraud and abuse investigations of providers.	\$18,267	\$73,069	1
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$29,413 SGF and \$29,413 Federal) for an additional position to insure appropriate security of the Medicaid Eligibility Determination System (MEDS).	\$29,413	\$58,826	1
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Funding (\$2M Statutory Dedications and \$2M Federal) for the administrative costs associated with the transition from a fee-for-service delivery system to a medical home model of care as part of the Health Care Reform initiative. <u>The source of Statutory Dedication funding is one-time revenue deposited into the Health Care Redesign Fund. This adjustment re-appropriates administrative funding for the medical home (LA Health First) that was eliminated as part of the FY 09 mid-year cuts.</u></p> <p>Historical funding associated with the medical home model of care:                      *\$25,185,507 added in FY 08 in Medical Vendor Payments for medical home implementation                      *\$1,107,876 added in FY 09 for administrative costs and to cover salaries of 5 new positions for M.H. development                      *\$4,689,093 added in FY 09                      *\$4,000,000 adjustment added in FY 10 Executive Budget to re-instate FY 09 mid-year cut</p>	\$0	\$4,000,000	0

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 -305	Health & Hospitals	Medical Vendor Administration	<p>IAT funding for Coordinated Care Management Program for at risk children. The source of funding is 100% federal Social Services Block Grant funds awarded from the Department of Social Services. DHH will contract with a provider to implement case management services for children determined to be high risk for social, behavioral, or medical harm. Information received from the department indicates these case management services will be targeted in hurricane impacted areas (Katrina and Rita), and high risk children may include medically fragile children, children in foster care, and children with chronic disease. The coordinated care provider will be charged with outreach (identifying high risk children).</p> <p><b>Note:</b> The IAT is one-time revenue that will be used to support recurring expenditures.</p>	\$0	\$2,000,000	0
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Funding (\$44,972 SGF, \$225,884 SGR, and \$677,188 Federal) for the first year of a 4-year competitive grant award from the Robert Wood Johnston Foundation (RWJF) aimed at increasing the number of eligible children enrolled in LaCHIP and Medicaid by reducing barriers to enrollment. LA is one of 8 states awarded a grant from the RWJF to develop a project that will increase the enrollment of eligible children in Medicaid and LaChip. The project, called MaxEnroll, is projected to enroll 98% of eligibles by January 2013. According to the department, MaxEnroll will facilitate the enrollment process by utilizing presumptive eligibility (allows certain providers to pre-determine eligibility under Medicaid before actual eligibility is determined) using schools, health care providers, and Medicaid application centers.</p> <p><b>Note:</b> LA currently offers health insurance for children up to age 19 (either through Medicaid or LaChip) up to 250% of the federal poverty level (FPL).</p>	\$44,972	\$948,044	0
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Funding (\$1.25M SGF and \$1.25M Federal) for the implementation of a Radiology Utilization Management (RUM) Program. Information received from DHH indicates that the department expected to implement this new program in 2009. This program will require providers to request prior authorization from the department for coverage for defined radiology services. The intent is to ensure that Medicaid recipients receive only appropriate radiology services (MRI, MRA, PET, CTA, and CT). DHH will contract to provide prior authorization services, and management and monitoring of medical imaging services.</p> <p><b>Note:</b> This program is anticipated to result in savings of \$1.25M in FY 09 and \$4.8M in FY 10.</p>	\$1,250,000	\$2,500,000	0
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Funding (\$2.5M SGF and \$7.5M Federal) for the implementation of Phase 2 of the Interqual criteria. Interqual software is utilized by DHH to determine the appropriate level of care relative to inpatient admissions and length of stay for Medicaid recipients. DHH currently utilizes outdated clinical criteria (1995 Interqual criteria).</p> <p>Phase 1 - as part of the mid-year cuts, implements the Acute Hospital Utilization Management 2008 version of Interqual to length of stay extensions and pre-certification of ambulatory surgical procedures performed in the first 2 days of the hospital stay. <u>Information received from the department indicates Phase 1 does not change the initial length of stay assignment process DHH currently utilizes. Phase 1 includes all hospitals except LSU HSC hospitals.</u></p> <p>Phase 2 - beginning 2010, implements interqual to initial inpatient admission approval process, and elective surgical procedure pre-certification. <u>Phase 2 includes all state-run and non-state hospitals.</u></p> <p>The department anticipates savings generated from an overall reduction in the number of admissions and from a decrease in length of stay in certain cases.</p>	\$2,500,000	\$10,000,000	0
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Funding (\$86,785 SGF and \$110,670 Federal) for the increased costs of maintenance of the MEDS system.</p>	\$86,785	\$197,455	0

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>										
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$750,000 SGF and \$6.75M Federal) for the operation of a Dual Fiscal Intermediary.	\$750,000	\$7,500,000	0										
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$1M SGF and \$1M Federal) to amend the current University of LA @ Monroe College of Pharmacy contract to provide for prior authorization for prescriptions over the monthly prescription limit of 5 per month. The contract provides the coordination for the LA Medicaid Pharmacy Benefits Management (PBM) system, staff support to Medicaid to develop the Drug Utilization Review system, and educational articles for providers and system recipients.	\$1,000,000	\$2,000,000	0										
			<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">FY 09 initial contract</td> <td style="text-align: right;">\$4,702,182</td> </tr> <tr> <td>FY 09 mid-year cuts</td> <td style="text-align: right;">(\$1,000,000)</td> </tr> <tr> <td>Contract amount (as of 4/1/09)</td> <td style="text-align: right;">\$3,702,182</td> </tr> <tr> <td>FY 10 contract adjustment</td> <td style="text-align: right;"><u>\$2,000,000</u></td> </tr> <tr> <td>FY 10 ULM contract</td> <td style="text-align: right;"><u>\$5,702,182</u></td> </tr> </table> <p>According to DHH, the additional funding will be used for administrative costs associated with the implementation of the script limit (from 8 to 5 per month per Medicaid recipient).</p>	FY 09 initial contract	\$4,702,182	FY 09 mid-year cuts	(\$1,000,000)	Contract amount (as of 4/1/09)	\$3,702,182	FY 10 contract adjustment	<u>\$2,000,000</u>	FY 10 ULM contract	<u>\$5,702,182</u>			
FY 09 initial contract	\$4,702,182															
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FY 10 ULM contract	<u>\$5,702,182</u>															
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$447,500 SGF and \$447,500 Federal) to provide for contractual services to complete <u>audit and reporting requirements</u> to comply with a CMS mandate, effective 1/19/09. DHH will contract with an accounting firm to audit disproportionate share hospital (DSH) payments to various providers under state Medicaid programs. The specific rule complies with requirements of section 1923(j) of the Social Security Act. In addition to the audits, states will be required to submit an annual report relative to DSH spending. The DSH audits are retroactive to FY 05. FYs 05 and 06 audits must be complete and submitted to CMS by 12/31/09. Subsequent audits must be turned in by the end of the federal fiscal year (9/30). Beginning FY 11 the audit reports must ensure compliance with existing statutory requirements that <u>"payments must not exceed the uncompensated costs of providing inpatient and outpatient hospital services to Medicaid and uninsured patients."</u> DSH payments to hospitals are required to be reconciled with hospital specific audit results. The source of federal funds is the Medicaid Administration Grant from the CMS.	\$447,500	\$895,000	0										
			<p><u>Anticipated impact to DHH</u> DHH estimates a total reduction of approximately \$188M as a result of this rule. The following provider groups and DSH cuts are as follows: State hospitals - \$143.6M reduction in payments; Rural hospitals - \$16.7M reduction in payments; and Public CPE's - \$28M reduction in payments.</p>													
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$1.5M Statutory Dedications and \$1.5M Federal) to enhance the fraud and abuse detection, investigation and enforcement functions. The source of the statutory dedicated funding is the Medical Assistance Program Fraud Detection Fund. The source of matching federal funds is Medicaid Administration Grant funds from the CMS.	\$0	\$3,000,000	0										
09 -305	Health & Hospitals	Medical Vendor Administration	Funding (\$642,000 Statutory Dedications and \$642,000 Federal) to support a data warehouse to collect healthcare information that can be analyzed and utilized to improve and enhance the quality of health care to medical patients. <u>The source of statutory dedicated funding is one-time revenue in the Health Care Redesign Fund.</u>	\$0	\$1,284,000	0										
09 -305	Health & Hospitals	Medical Vendor Administration	Funding to establish networks of alternate non-emergent service healthcare providers through the Emergency Room Diversion demonstration grant. This grant requires no SGF match. The source of federal funding is a grant from CMS. Federal funding will be used to establish networks of healthcare providers that will offer after hour and weekend access to urgent care services in an attempt to reduce non emergent care provided in hospital emergency rooms. Care is anticipated to be provided in hospitals and federally qualified health centers.	\$0	\$2,079,017	0										
			Information received from CMS indicates that the total grant award is \$3,769,653 over 2 federal fiscal years (FY 08 and 09) beginning 4/15/08.													

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Annualizes funding (\$1.5M SGF and \$1.5M Federal) for a Disease Management contract targeting individuals with specific chronic disease. This adjustment annualizes last year's funding of \$1M for a full year to implement a Disease Management Program. DHH will enter into a contract through a Request for Proposal (for a disease management contractor) to serve a designated amount of Primary Care Case Management (Community Care) members that have been diagnosed with either asthma, diabetes, or congestive heart failure. The source of federal funding is the Medicaid administration grant from CMS.</p> <p><b>Note:</b> In FY 09 funding was provided for 3 disease management initiatives. \$1M was appropriated in Medical Vendor Administration for disease management and not utilized. In addition, \$1.5M was also added for a Behavioral Disease Management Program targeted towards behavioral pharmacy. The Medical Vendor Payments Program was appropriated \$3M for additional enhanced payments (pay for performance) to physicians that meet established goals relative to disease management detection.</p>	\$1,500,000	\$3,000,000	0
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Annualizes funding (\$1.5M SGF and \$1.5M Federal) for an Administrative Services Organization (ASO). The federal source of funding is the Medicaid Administration Grant from CMS. Act 343 of 2007 directed the DHH to establish an Administrative Services Organization to oversee all behavioral health services. <u>The DHH has indicated the intent to contract with a vendor to oversee all operations of behavioral health services, including administrative services</u> such as establishing and monitoring performance measures, network and provider services to ensure a sufficient pool of qualified providers in a geographic area, recipient and family services, quality management (measure program effectiveness), and service access and authorization (matching services to recipients' need). The department has not estimated any savings generated as of result of utilization management of the targeted behavioral health population. Information received from the department indicates that 20 states have ASO contracts that provide comprehensive Medicaid behavioral health management.</p> <p><u>The MVP FY 09 budget contained \$1.65M in funding for this initiative (represents 3 months of funding).</u></p>	\$1,500,000	\$3,000,000	0
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$11,513,411 SGF and \$30,307,914 Federal) for the mandatory rate increase for drug allowances and new FDA approved drugs. According to DHH, an 8.6% growth rate (based on a national growth rate) was applied to the pharmacy budget to determine the funding required for new FDA approved drugs.</p>	\$11,513,411	\$41,821,325	0
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$267,453 SGF and \$704,042 Federal) to provide for a mandatory rate increase for Durable Medical Equipment (DME). Durable Medical Equipment is a Medicaid state plan service that provides medically necessary equipment, appliances, and supplies to Medicaid eligibles. As of the February 2009 Medicaid Monthly Financial Report, projected expenditures for DME in FY 09 was \$21,795,157. The source of federal funds is Title 19 federal participation funding.</p> <p><b>Note:</b> Information received from DHH indicates that supplies and medical equipment are reimbursed according to prevailing costs to the provider, plus an allowance for profit. Medicaid follows the Medicare rate methodology. The national average for inflationary growth for these products is 3.9%. The department increased the initial projected cost of DME by 3.9% over the December expenditure forecast for DME, (or 3.9% x \$24,910,124 = \$971,495).</p>	\$267,453	\$971,495	0

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>																
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Additional Medicaid claims funding (\$7,002,031 SGF and \$18,432,154 Federal) for a projected increase in Medicaid enrollment as a result of economic downturn. Projected funding is based on the following assumptions:</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;"><u>Eligibility Category</u></th> <th style="text-align: right;"><u>Total Estimated New Recipients</u></th> <th style="text-align: right;"><u>Cost per Month</u></th> <th style="text-align: right;"><u>FY 10 Estimate</u></th> </tr> </thead> <tbody> <tr> <td>Adults</td> <td style="text-align: right;">5,225</td> <td style="text-align: right;">\$423</td> <td style="text-align: right;">\$13,266,692</td> </tr> <tr> <td>Children</td> <td style="text-align: right;">14,190</td> <td style="text-align: right;">\$143</td> <td style="text-align: right;">\$12,167,493</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: right;">19,415</td> <td></td> <td style="text-align: right;">\$25,434,185</td> </tr> </tbody> </table> <p>The department projected new recipients based on historical comparisons of unemployment increases and the number of new Medicaid eligibles that gain eligibility as a result. DHH indicated the cost is based on recipients being phased in evenly over an 11-month period. The source of federal funds is Title 19 federal financial participation.</p> <p><b>Note:</b> Estimates included 2 eligibility categories: 1) <u>adults</u> that are non-disabled, non-institutional, age 19 - 64, including pregnant women; and 2) children that are non-disabled, non-institutional, non-foster children under 19 years of age.</p>	<u>Eligibility Category</u>	<u>Total Estimated New Recipients</u>	<u>Cost per Month</u>	<u>FY 10 Estimate</u>	Adults	5,225	\$423	\$13,266,692	Children	14,190	\$143	\$12,167,493	Total	19,415		\$25,434,185	\$7,002,031	\$25,434,185	0
<u>Eligibility Category</u>	<u>Total Estimated New Recipients</u>	<u>Cost per Month</u>	<u>FY 10 Estimate</u>																			
Adults	5,225	\$423	\$13,266,692																			
Children	14,190	\$143	\$12,167,493																			
Total	19,415		\$25,434,185																			
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Annualizes funding (\$515,068 SGF and \$1,355,867 Federal) for implementation of Act 327 of 2007, which requires the DHH to increase Medicaid claims reimbursement to 110% of allowable cost for small rural hospitals for providing hospital inpatient and outpatient services. Hospital services include services provided in a rural health clinic licensed as part of a rural hospital. <u>This adjustment will cover the projected costs of reimbursement methodology change associated with rural health clinics that are hospital based.</u> Information received from DHH indicates that 59 provider based Rural Health Clinics will be eligible to receive the enhanced cost reimbursement.</p> <p>Based on the February 2009 Medicaid Monthly Financial Report, total projected expenditures in FY 09 for Rural Health Clinics was \$37,742,895.</p> <p>The source of federal funds is Title 19 federal financial participation.</p>	\$515,068	\$1,870,935	0																
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Net increase in funding (\$8,671,950 SGF and \$22,828,050 Federal) as a result of 2 separate payment methodology changes in Payments to Private Provider Program.</p> <p><u>Additional \$40M in funding for a Medicaid rate increase to hospitals for providing inpatient services to Medicaid eligible patients. Information received from DHH indicates that these enhanced rates will be funded with anticipated SGF savings from efficiencies (Interqual) implemented in FY 09 (as a part of the Deficit Reduction Plan or FY 09 mid-year cuts) and annualized in the FY 10 Executive Budget.</u> Currently, the Medicaid Program uses outdated criteria for hospital admissions and length of stay authorizations for Medicaid eligibles. Medicaid intends to implement up-to-date industry accepted standards using "Interqual" decision support software to base payments on these criteria. DHH anticipates this new criteria (authorizations) will generate savings. <u>The 7% reduction in Medicaid reimbursement rates for inpatient hospital services will be reduced from the new rate base as a result of this adjustment.</u></p> <p>Reduction of \$8.5M in pharmacy payments as a result of adjusting the LA Maximum Allowable Costs (LMAC) reimbursement methodology. Pharmacy payments are comprised of a dispensing fee and actual drug (ingredient) costs. The LMAC initiative will establish a new payment methodology for generic drugs by lowering reimbursement limits for payment of the ingredient costs for generic drugs.</p>	\$8,671,950	\$31,500,000	0																

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>																
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$843,099 SGF and \$2,219,375 Federal) for an annual increase in reimbursement rates for Rural Health Clinics (RHC) and Federally Qualified Health Centers (FQHC). The source of federal funds is Title 19 federal financial participation. Information received from DHH indicates that these payment rate increases are required through the Medicaid State Plan (which is an agreement between LA and CMS relative to the policies of the state's Medicaid Program). The specific provisions requires LA to annually increase the prospective payment system rates by the published Medicare Economic Index for all of these facilities participating in the Medicaid Program. The increase in funding is based on the following calculations:</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;">Provider Type</th> <th style="text-align: right;">FY 09 Payments Projected</th> <th style="text-align: right;">Inflation Factor</th> <th style="text-align: right;">Additional Funding</th> </tr> </thead> <tbody> <tr> <td>RHC</td> <td style="text-align: right;">\$41,453,870</td> <td style="text-align: right;">4.4%</td> <td style="text-align: right;">\$1,823,970</td> </tr> <tr> <td>FQHC</td> <td style="text-align: right;">\$28,147,826</td> <td style="text-align: right;">4.4%</td> <td style="text-align: right;">\$1,238,504</td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: right;"><u>\$3,062,474</u></td> </tr> </tbody> </table> <p>As of February 2009, the Medicaid Monthly Financial Report reflects total projected spending (claims) of \$64,122,448 (\$26.4M for FQHC's and \$37.7 M for RHC's).</p>	Provider Type	FY 09 Payments Projected	Inflation Factor	Additional Funding	RHC	\$41,453,870	4.4%	\$1,823,970	FQHC	\$28,147,826	4.4%	\$1,238,504				<u>\$3,062,474</u>	\$843,099	\$3,062,474	0
Provider Type	FY 09 Payments Projected	Inflation Factor	Additional Funding																			
RHC	\$41,453,870	4.4%	\$1,823,970																			
FQHC	\$28,147,826	4.4%	\$1,238,504																			
			<u>\$3,062,474</u>																			
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$797,297 SGF and \$2,098,807 Federal) for a projected increase in Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) to enroll in Medicaid in FY 10. The increased funding represents Medicaid claims payments for Medicaid eligible encounters at these health centers. The source of federal funds is Title 19 federal financial participation. These safety net providers offer primary care services and supplies in rural and urban areas that are considered medically under-served by the federal government. <u>DHH anticipates these 7 additional RHC providers and 4 new FQHC's providers will obtain CMS licensing and certification in FY 10, and will enroll in the LA Medicaid Program.</u></p> <p>As of March 2009 there were 54 FQHCs and 102 RHCs statewide enrolled in the Medicaid Program. According to the February 2009 Medicaid Monthly Financial Report, FY 09 projected expenditures for FQHCs total \$26.4M and \$37.7M for RHCs. Total anticipated number of participating FQHC's in FY 10 is 61 and total number of projected RHC's is 106.</p>	\$797,297	\$2,896,104	0																
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Additional funding (\$1,633,095 SGF and \$4,298,960 Federal) for Multi Systemic Therapy (MST) as a new mental health service authorized by the CMS. According to DHH, MST is an evidenced based, intensive family and community based treatment for 12-17 year olds which addresses the various causes of serious antisocial behavior in juveniles occurring in their natural settings (home and school), and promotes behavioral changes (such as decrease in delinquency, substance abuse, violence, and criminal behavior). These services may be provided by any group of masters level licensed behavioral practitioners. The source of federal funds is Title 19 federal financial participation.</p> <p>The FY 09 budget contained approximately \$3.6M for 12 months, and was anticipated to serve 315 children in the first year. According to the department, funding is being increased to cover the costs of a projected increase in the number of providers (21 additional clinicians in FY 10) which is anticipated to increase the projected number of children served.</p>	\$1,633,095	\$5,932,055	0																
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Annualizes partial funding (\$94,586 SGF and \$248,989 Federal) added in FY 09 for rate increase to Early Steps providers that serve Medicaid eligibles. This program is operated under Early &amp; Periodic Screening, Diagnostics &amp; Treatment (EPSDT) services. EPSDT provides general health (including mental health) and developmental screening for the treatment of illness or disabilities. The source of federal funding is Title 19 federal financial participation.</p> <p>As of the February 2009 Medicaid Monthly Financial Report, total projected spending for EPSDT in FY 09 was \$178.9M.</p>	\$94,586	\$343,575	0																

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>								
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Annualizes partial funding (\$1,309,803 Statutory Dedications and \$3,447,925 Federal) in FY 09 for the re-basing of nursing homes rates. The source of federal funding is Title 19 federal financial participation. Nursing home rates were re-based in Act 19 of 2008. Re-basing of the rates are required in statute under R.S. 46:2742.B.(8). The rate change increase in FY 09 only covered 11 months. This adjustment will reflect 12 months of funding." The increase is based on the following calculation:</p> <table style="margin-left: 20px;"> <tr> <td>FY 09 projected nursing home expenditures</td> <td style="text-align: right;">\$751,568,280</td> </tr> <tr> <td>Projected number of services</td> <td style="text-align: right;">6,870,364</td> </tr> <tr> <td>Amount of daily change in the Re-base FY 09</td> <td style="text-align: right;">\$8.31</td> </tr> <tr> <td>Projected FY 09 total amount of increase (12 months)</td> <td style="text-align: right;">\$57,092,724 (divided by 12 = \$4,757,728)</td> </tr> </table>	FY 09 projected nursing home expenditures	\$751,568,280	Projected number of services	6,870,364	Amount of daily change in the Re-base FY 09	\$8.31	Projected FY 09 total amount of increase (12 months)	\$57,092,724 (divided by 12 = \$4,757,728)	\$0	\$4,757,728	0
FY 09 projected nursing home expenditures	\$751,568,280													
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Amount of daily change in the Re-base FY 09	\$8.31													
Projected FY 09 total amount of increase (12 months)	\$57,092,724 (divided by 12 = \$4,757,728)													
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Annualizes partial funding (\$1,257,757 SGF and \$3,310,921 Federal) for 9 Rural Health Clinics and 4 Federally Qualified Health Centers enrolled in FY 09. The source of federal funding is Title 19 federal financial participation. According to the February 2009 Medicaid Monthly Financial Report, the FY 09 anticipated expenditures for Federally Qualified Health Centers total \$26.3M and \$37.7M for Rural Health Clinics.</p>	\$1,257,757	\$4,568,678	0								
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$1,787,981 SGF and \$4,947,545 Federal) for the increase in Medicare Part A and Part B premiums due to additional eligibles in mandatory Medicaid eligibility programs in the Medicare Buy-ins and Supplements Program. This program provides health coverage for the indigent elderly that are eligible for both Medicaid and Medicare. The Medicaid Program provides funding for payments of Medicare premiums with the intent to 'buy into' the Medicare Program, thus avoiding state matching Medicaid costs associated with Medicaid payments. This adjustment increases the premiums for Medicare Part A (inpatient care in hospitals) and accounts for additional eligibles in Part B (medically necessary outpatient and physician care). <b>Note:</b> Based on the Executive Budget, the "total savings" performance indicator (cost of care less premium costs for Medicare benefits) indicates this program will save the state of LA \$790M for FY 10. This is based on an anticipated 161,254 dual eligibles.</p> <p>Medicare Part A - Increase in premium (7,000 enrollees from \$443 to \$461)            Medicare Part B - projected increase in enrollees (400 average per month increase x unchanged rate of \$96.40 per month)</p> <table style="margin-left: 20px;"> <tr> <td>Total projected cost for Medicare premiums in FY 10</td> <td style="text-align: right;">\$220,307,443</td> </tr> <tr> <td>FY 09 Existing Operating Budget</td> <td style="text-align: right;">\$213,571,917</td> </tr> <tr> <td>Executive Budget Adjustment</td> <td style="text-align: right;">\$6,735,526</td> </tr> </table>	Total projected cost for Medicare premiums in FY 10	\$220,307,443	FY 09 Existing Operating Budget	\$213,571,917	Executive Budget Adjustment	\$6,735,526	\$1,787,981	\$6,735,526	0		
Total projected cost for Medicare premiums in FY 10	\$220,307,443													
FY 09 Existing Operating Budget	\$213,571,917													
Executive Budget Adjustment	\$6,735,526													
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Funding for the increased costs of contributions for Medicaid drug payments for full dual eligibles, or the "Clawback" payment. These are mandatory payments by states to the federal government (Medicare) to assist in covering the cost of Medicare Part D prescription drug coverage offered to some dual eligibles offered under Medicare Part D. Dual eligibles are entitled to Medicare and Medicaid benefits (there are full dual eligibles and partial dual eligibles). Total new funding for FY 10 is 14,840,645 in SGF.</p>	\$14,840,645	\$14,840,645	0								
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Provides funding to increase Medicaid claims payments to rural hospitals.</p>	\$590,569	\$2,954,320	0								
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Adjustment through Act 122 of 2009 (Supplemental Appropriation Bill) that provides payments to public and private rural hospitals and their rural health clinics. The source of Statutory Dedications is the Medical Assistance Trust Fund.</p>	\$0	\$7,718,432	0								

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
09 -306	Health & Hospitals	Medical Vendor Payments	Adjustment through Act 122 of 2009 (Supplemental Appropriation Bill)) that provides payments to nursing homes in the Private Providers Program for the rebasing of Medicaid reimbursement rates for nursing home services pursuant to Act 244 (SB 247) of 2009 and the CMS approval of a Medicaid state plan amendment authorizing this rate rebasing. The source of Statutory Dedications is the Medicaid Trust Fund for the Elderly (MTFE).	\$0	\$102,797,774	0
09 -307	Health & Hospitals	Office of Secretary	Funding for a position to oversee implementation of a Community Health Assessment Resource Tool Set (CHARTS). DHH indicates this initiative will allow Medicaid recipients and other users <u>to view various health indicators electronically</u> (such as those related to communicable diseases, chronic diseases, maternal and child health, injury and violence, and social and mental health). In addition, information provided may include population characteristics, health profiles by parish (including mortality data, births, deaths, hospital and nursing home bed availability).	\$150,000	\$150,000	1
09 -307	Health & Hospitals	Office of Secretary	Funding for a position in the Division of Health Economics to conduct economic forecasting. The position title is an Economist 2 position. Funding represents salary and related benefits for FY 10.	\$68,820	\$68,820	1
09 -307	Health & Hospitals	Office of Secretary	Increases IAT budget authority to receive grant funding from the Department of Social Services. The source of IAT is Social Services Block Grant funding designated for a Primary Care, Dental & Behavioral Health Workforce initiative. This funding <u>(quarterly income guarantees) will be distributed to private practices and hospitals investing in new capacity to serve the uninsured and Medicaid eligibles in regions 3, 4, and 5.</u>	\$0	\$750,000	0
09 -307	Health & Hospitals	Office of Secretary	Increases IAT budget authority to receive grant funding from the Department of Social Services. The source of IAT is Social Services Block Grant funding designated for a Community Clinic Stabilization initiative. DHH has indicated that these funds will be used to make payments to certain clinic providers <u>as reimbursement for documented financial losses due to hurricanes Gustav and Ike.</u>	\$0	\$1,000,000	0
09 -307	Health & Hospitals	Office of Secretary	Annualizes BA-7 funding approved in December 2008 for the Hospital Preparedness Program Grant from the U.S. Department of Health & Human Services (DHHS), Health Resources & Services Administration (HRSA). The grant is 100% federal funds and requires no state matching funds. The grant allows the state to maintain an emergency preparedness program, specifically the infrastructure to address the potential for a mass surge of patients with acute illness or trauma requiring hospitalization from a biological, chemical, radiological, or explosive terrorist incident. The Office of the Secretary coordinates with the LA Hospital Association, the Office of Mental Health (OMH), and the Office of Public Health (OPH) to implement the goals of the grant (emergency planning between providers, continuing education between providers and healthcare professionals, and maintenance of a volunteer recruitment program). Funds are also used to purchase medical supplies, equipment and pharmaceuticals, chemical response medications, and warehouse storage of emergency equipment.  <b>Note:</b> The BA-7 funding for FY 09 (\$5,312,861) is not non-recurred as the department anticipates this level of funding to be granted FY 10. Total projected funding in FY 10 is \$5,696,194.	\$0	\$383,333	0
09 -307	Health & Hospitals	Office of Secretary	Additional funding for the DHH's generator program for medical and special needs facilities. The source of IAT funding is a FEMA Hazardous Mitigation grant transferred from the Governor's Office of Homeland Security. DHH intends on awarding the funding to hospitals and nursing homes to purchase generators for HVAC and other critical medical needs. The LFO is unaware of the number and specific hospitals that will qualify for the funding. The grant is 100% federal funds (no match requirement)	\$0	\$32,196,000	0
09 -307	Health & Hospitals	Office of Secretary	Provides statutorily dedicated funding from the Health Care Redesign Fund to the Management & Finance Program for the Rural Hospital Coalition for the LA Rural Hospital Information Exchange (LaRHIX).	\$0	\$1,900,000	0

### Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
09 -307	Health & Hospitals	Office of Secretary	Provides funding to establish an Electronic Health Record IT Loan Fund. The revenues come from a swap of SGF for SGR in Medical Vendor Payments.	\$5,000,000	\$5,000,000	0
09 -307	Health & Hospitals	Office of Secretary	Adjustment through Act 122 of 2009 (Supplemental Appropriation Bill) for the Family Practice Residency Program serving the Lake Charles community that is operated by the LA State University Health Sciences Center - New Orleans and Tulane University Health Sciences Center. The source of Statutory Dedications funding is the Overcollections Fund.	\$0	\$500,000	0
09 -307	Health & Hospitals	Office of Secretary	Adjustment through Act 122 of 2009 (Supplemental Appropriation Bill) for the Mary Bird Perkins Cancer Center.	\$50,000	\$50,000	0
09 -307	Health & Hospitals	Office of Secretary	Adjustment through Act 122 of 2009 (Supplemental Appropriation Bill) in the Office of the Secretary for the LA Foundation of Dentistry for the Handicapped, Inc.	\$40,000	\$40,000	0
09 -307	Health & Hospitals	Office of Secretary	Adjustment through Act 122 of 2009 (Supplemental Appropriation Bill) in the Office of the Secretary for the Poison Control Center.	\$550,000	\$550,000	0
09 -324	Health & Hospitals	LA Emergency Response Network Bd.	Increases funding for operational services of a trauma registration, additional lines for call center, and telephone services. The trauma registration service will be utilized to interpret information collected from EMS and hospital telephone calls and to ensure HIPPA requirements. The additional telephone lines are needed to accommodate equipment being installed in the various regions. Seven regions are currently online (Baton Rouge, Lafayette, Lake Charles, Shreveport, Covington, and Alexandria, and Monroe). The New Orleans and Thibodaux regions will be brought online by the end of 2009. The total FY 10 budget for LERN is \$3,671,437.	\$193,429	\$193,429	0
09 -326	Health & Hospitals	Public Health	Provides a 5% state match for emergency preparedness required by the U.S. Centers for Disease Control & Prevention. The estimated federal funding for emergency response for FY 10 is \$13M. A 10% state match is required; however, 5% is already included in the agency's base budget.	\$662,161	\$662,161	0
09 -326	Health & Hospitals	Public Health	Provides funding to the Personal Health Services Program for the Christus Scumpert School-Based Health Center. Funding is subject to the transfer of funds from the Insure LA Incentive Program Fund to the SGF.	\$17,720	\$17,720	0
09 -326	Health & Hospitals	Public Health	Provides federal fiscal stimulus funds to pay overtime costs associated with the administration of the Drinking Water Revolving Loan Fund. The DWRLF Program provides assistance through loans for infrastructure projects and other assistance in the form of set-aside activities for program administration, technical assistance, state program management, local assistance, and other state programs. DHH-OPH is responsible for the operations and administration of the DWRLF Program.	\$0	\$157,500	0
09 -326	Health & Hospitals	Public Health	Provides federal fiscal stimulus funds for immunization vaccinations (\$1,784,682) and administrative expenses (\$610,864). The Office of Public Health anticipates that an additional 74,220 individuals will benefit from the vaccine. The funding allocated to administration will be used to improve the LA Immunization Network for Kids (LINKS).	\$0	\$2,395,546	0
09 -326	Health & Hospitals	Public Health	Provides funding to the Personal Health Services Program for the Sickle Cell Anemia Research Foundation, Inc.	\$50,000	\$50,000	0
09 -326	Health & Hospitals	Public Health	Provides funding to the Personal Health Services Program for the operation of a school-based health center in Lafayette (Carencro) that received a planning grant in FY 09.	\$172,000	\$172,000	0
09 -326	Health & Hospitals	Public Health	Provides funding to the Personal Health Services Program for an operational grant to the school-based health center in Morehouse Parish that received a planning grant in FY 09.	\$144,000	\$144,000	0

**Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget**

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
09 -326	Health & Hospitals	Public Health	Provides funding to the Personal Health Services Program for nutrition screenings, obesity education, and studying linkages between obesity and autism in Shreveport.	\$150,000	\$150,000	0
09 -326	Health & Hospitals	Office of Public Health	Annualizes a BA-7 approved in April 2009 for the Women, Infants & Children Program. Funding will be used for WIC vouchers (\$7,613,037) and administrative expenses (\$514,588).	\$0	\$8,127,625	0
09 -330	Health & Hospitals	State Office of Mental Health	Provides additional funding for the Early Childhood Supports & Services Program. The source of IAT is Temporary Assistance for Needy Families Block Grant funding.		\$1,000,000	0
09 -330	Health & Hospitals	State Office of Mental Health	Annualizes a BA-7 approved in April 2009 for federal funding in the Regular Services Program to provide crisis counseling services to individuals impacted by hurricanes Ike and Gustav.	\$0	\$11,503,399	0
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Provides IAT funding for donated dental services.	\$0	\$75,000	0
09 -351	Health & Hospitals	Addictive Disorders	Increases federal funding for the Prevention & Treatment Program with 1st year carryforward funds for the Access to Recovery (ATR) Program. The source of these federal funds is the Substance Abuse Mental Health Services Administration (SAMHSA), Center for Substance Abuse Treatment (CSAT). The ATR Program provides client choice among substance abuse clinical treatment and recovery support providers, expands access to a comprehensive array of clinical treatment and recovery support options (including faith and community-based organizations), and increases substance abuse treatment capacity.	\$0	\$4,155,552	0
09 -351	Health & Hospitals	Addictive Disorders	Increases federal funds for the Prevention & Treatment Program for multi-agency substance abuse prevention efforts. These funds represent carryforward resources for the LA Strategic Prevention Framework State Incentive Grant (SPF-SIG). OAD will use these funds to re-build substance abuse infrastructure and capacity in parishes affected by hurricanes Katrina, Rita, and Gustav.	\$0	\$5,159,435	0
09 -351	Health & Hospitals	Addictive Disorders	Funding for the Alexandria-Pineville Addictive Disorders Clinic at the Red River Treatment Center subject to transfer from the Insure LA Incentive Program Fund to SGF. Red River Treatment Center is a 56 bed, coed, inpatient chemical dependency treatment program for adults.	\$50,000	\$50,000	0
09 -351	Health & Hospitals	Addictive Disorders	Funding for the Prevention & Treatment Program at the Civic Outreach Center Inc. subject to transfer from the Insure LA Incentive Program Fund to SGF. The Civic Outreach Center Inc. is a residential program providing drug abuse and addiction in Crown Point LA (New Orleans West Bank area).	\$200,000	\$200,000	0
09 -351	Health & Hospitals	Addictive Disorders	Provides funding for the Baton Rouge Area Alcohol & Drug Center, Inc.	\$25,000	\$25,000	0
<b>Major Enhancements for Health &amp; Hospitals</b>				<b>\$66,947,269</b>	<b>\$379,443,401</b>	<b>23</b>

**Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget**

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
10 -355	Social Services	Family Support	Provides funding to the Client Services Program for poverty prevention and intervention programs for the Capital Area Region.	\$200,000	\$200,000	0
10 -355	Social Services	Family Support	Provides funding to the Client Services Program for the Freedom School and the Teen Prevention Program to reach an additional 500 youth.	\$175,000	\$175,000	0
10 -357	Social Services	Office of Secretary	Provides SGR funding to the Administration & Executive Support Program for the Robert Wood Johnson award to employees for innovations in work and business processes.	\$0	\$93,000	0
10 -357	Social Services	Office of Secretary	Provides funding to the Administration & Executive Support Program for the LA Center Against Poverty, Inc.	\$150,000	\$150,000	0
10 -370	Social Services	Community Services	Provides federal funding for the Department of Social Services (DSS) Modernization Plan for Information Technology. The source of federal funds is Social Services Block Grant funding. This funding will be used to pay contractors to assist with IT Procurement, development, management, and implementation of a web-based system which will give clients the ability to search for services, determine their potential eligibility, and apply for services online. This system will also give providers the ability to access their own demographic data, invoice for services rendered, check payment status, and receive payments online. In addition, DSS workers will benefit by having immediate access to a holistic view of relevant client information which will allow for a more collaborative and collective approach within the various agencies to meet the needs of the clients.	\$0	\$8,000,000	0
10 -370	Social Services	Community Services	Provides federal funds from the Social Services Block Grant to the Child Welfare Services Program for relief effort for hurricanes Ike and Gustav. This funding will be allocated to DHH (\$96.75M), LA Recovery Authority (\$2M), and DSS (\$10,287,880).	\$0	\$109,037,880	0
10 -370	Social Services	Community Services	Provides federal Stimulus funds to the Child Welfare Program for the Emergency Shelter Grants Program for homelessness prevention activities. This funding will be allocated to eligible community organizations.	\$0	\$6,770,820	0
10 -370	Social Services	Community Services	Provides funding to the Child Welfare Services Program for the Baton Rouge Child Advocacy Center.	\$50,000	\$50,000	0
10 -370	Social Services	Community Services	Provides funding to the Child Welfare Services Program for domestic violence shelter support.	\$172,974	\$172,974	0
10 -374	Social Services	LA Rehabilitation Services	Provides statutorily dedicated funding for accessibility services and assistive technology for persons who are deaf, deaf/blind, hard of hearing, speech impaired, or others who are similarly disabled. The source of Statutory Dedications is the Telecommunications for the Deaf Fund.	\$0	\$500,000	0
<b>Major Enhancements for Social Services</b>				<b>\$747,974</b>	<b>\$125,149,674</b>	<b>0</b>

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
11 -431	Natural Resources	Office of Secretary	Provides federal funding for the State Energy Program from the American Recovery & Reinvestment Act of 2009.	\$0	\$42,749,850	0
11 -435	Natural Resources	Coastal Restoration	Provides statutorily dedicated funding from the Coastal Restoration & Protection Fund for lease space at the Chase Building for the Coastal Restoration Division and DOTD's Hurricane Flood Protection merger.	\$0	\$603,928	0
11 -435	Natural Resources	Coastal Restoration	Provides statutorily dedicated Outer Continental Shelf offshore revenues in conjunction with the drilling of an additional 8.3 million acres in the Gulf of Mexico. LA has received its 1st payment of this amount and these funds are deposited into the Coastal Protection & Restoration Fund for coastal protection and restoration efforts.	\$0	\$6,347,321	0
<b>Major Enhancements for Natural Resources</b>				<b>\$0</b>	<b>\$49,701,099</b>	<b>0</b>
12 -440	Revenue	Office of Revenue	Provides SGR funding to replace desktop computer workstations, laptops, and multifunction units (copier/fax machines) in the IT Division and Lake Charles region through a lease purchase agreement in the Tax Collection Program (\$1,016,785). The Charitable Gaming Program will replace desktop workstations, laptop computers and 1 vehicle for \$51,500. In addition, Alcohol & Tobacco Control was funded for replacement of 11 vehicles, 10 bullet proof vests, 10 digital cameras, 10 ID scanners, 15 laptop computers, ammunition and uniforms for \$436,550.	\$0	\$1,504,835	0
12 -440	Revenue	Office of Revenue	Provides SGR funding to implement and enforce the tax amnesty program as provided in Act 519 of 2009. The amount of \$4.4M is the maximum estimate of expenditures stated in the fiscal note and will be a one-time expenditure in FY 10. Costs include funding for additional temporary hires, overtime for current employees, information processing, advertising and outsourcing services. The additional expense will be funded through SGR.	\$0	\$4,400,000	0
<b>Major Enhancements for Revenue</b>				<b>\$0</b>	<b>\$5,904,835</b>	<b>0</b>
13 -853	Environmental Quality	Environmental Assessment	Provides additional ARRA Federal Stimulus funding to the Environmental Assessment Program. Funding of \$1,297,500 from ARRA for the Diesel Emissions Inventory Act (DERA) to allow recipients to achieve diesel emissions reductions by retrofitting, upgrading, replacement, or reduced idling from on-road and off-road diesel engines and equipment. All projects are required to use EPA or California Air Resource Board Verified Technologies. Funding of \$1,887,289 for Leaking Underground Storage Tank Trust Fund Cooperative Agreements. These funds will allow DEQ to increase the pace of cleaning up UST releases into the environment that have already occurred, but have not yet been cleaned up. DEQ will use these monies to respond to petroleum releases from UST's where owners and operators are unknown, unwilling or unable to take corrective actions themselves, and in emergency situations. Funding of \$326,400 to provide assistance to DEQ in water quality planning activities, through either contract-developed TMDL's or contract-developed determinations for appropriate criteria for selected water bodies; to provide assistance to regional planning commissions; and to provide funds to the LA Ground Water Commission for developing a statewide conservation plan.	\$0	\$3,511,189	0
<b>Major Enhancements for Environmental Quality</b>				<b>\$0</b>	<b>\$3,511,189</b>	<b>0</b>

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
14 -474	Workforce Commission	Workforce Development	Increases federal budget authority to receive Community Service Block Grant funds from ARRA to assist the low-income population through rental assistance, employment and training assistance, emergency assistance, weatherization, etc. These funds will be passed along to local community action agencies for implementation of services. These are not the unemployment insurance modernization benefits debated and ultimately rejected during the 2009 Legislative Session.	\$0	\$23,473,377	0
14 -474	Workforce Commission	Workforce Development	Increases federal budget authority for the Unemployment Benefits Program to receive Reed Act Stimulus dollars for use in the administration of the Unemployment Compensation Program. These funds are from ARRA and are available in anticipation of increased unemployment claims due to the economic downturn.	\$0	\$7,027,524	0
<b>Major Enhancements for Workforce Commission</b>				<b>\$0</b>	<b>\$30,500,901</b>	<b>0</b>
16 -511	Wildlife & Fisheries	Management & Finance	Funding provided to hire one contract Visual Basic.NET application developer to develop the application required to track the titling of motorboats as required by Act 319 of 2007. This legislation requires the department to start titling motorboats on 7/1/09. This contract developer will assist in the additional programming needs for the implementation and testing phase of this project. Conservation Funds will be utilized.	\$0	\$110,000	0
16 -512	Wildlife & Fisheries	Office of Secretary	Increases funding from the Oyster Sanitation Fund to the Enforcement Program for the purpose of purchasing acquisitions of patrol equipment to maintain compliance with oyster regulations to meet Food & Drug Administration guidelines related to annual patrol evaluations.	\$0	\$377,525	0
16 -512	Wildlife & Fisheries	Office of Secretary	Increases federal funding from the U.S. Coast Guard, State Recreational Boating Safety Program to allow the enforcement agents to continue monitoring state waterways insuring compliance with safety requirements to increase safety and rescue efforts.	\$0	\$871,000	0
16 -513	Wildlife & Fisheries	Office of Wildlife	Increase of \$698,619 in federal funding and \$157,334 in Conservation Funds due to an increase in the department's 2008 federal apportionment from the Pittman Roberson Wildlife Restoration Act. Reasons for the increase in apportionment are from both the increase of license sales and federal excise tax placed on hunting equipment. Funds will be used to provide support for the Hunter Education Program and wildlife restoration projects on the Wildlife Management Areas. To access these federal funds, the department needs to increase Statutory Dedications budget authority from the Conservation Fund as a required state match.	\$0	\$855,953	0
16 -513	Wildlife & Fisheries	Office of Wildlife	Increases federal funds from the U.S. Fish & Wildlife Service that will flow through the Department of Wildlife & Fisheries to the Nature Conservancy for land acquisition. This funding will be used for the purchasing and/or protecting habitat land from development near the boundaries of Fort Polk, and to manage it for Rare Threatened Endangered (RTE) species. This initiative is part of the Army Compatible-use Buffer Project (ACUB) which deals with suburban encroachment around military installations.	\$0	\$500,000	0
<b>Major Enhancements for Wildlife &amp; Fisheries</b>				<b>\$0</b>	<b>\$2,714,478</b>	<b>0</b>

### Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
17 -561	Civil Service	Municipal Fire & Police C.S.	Increases statutorily dedicated funding from the Municipal Fire & Police Civil Service Fund for legal fees. The agency currently has cases pending regarding the East Central Bossier Parish Fire Protection District 1 and a Livingston Parish Fire District which require legal assistance. Agency also requires legal assistance regarding jurisdictions with no civil service protection that are denying employees due process. The agency does not employ a staff attorney and has no funding for legal assistance in its existing budget.	\$0	\$10,000	0
17 -561	Civil Service	Municipal Fire & Police C.S.	Increased statutorily dedicated funding from the Municipal Fire & Police Civil Service Fund to train agency personnel. Agency has 4 new human resources employees with less than 3 years experience, and 2 with less than 4 years experience. New employees require at least 2 years of training before becoming proficient in test development and validation. Although the agency provides in-house training to new employees, it would like to reduce the learning curve of the new employees and reinforce the knowledge base of experienced employees by sending them to formal training opportunities through seminars and conferences.	\$0	\$9,000	0
17 -562	Civil Service	Ethics Administration	Funding to fully fund per diem and travel expenses for the board. The current board increased the number of days for meetings from 2 days to 3 days, which increases the per diem and travel expenses (hotel and meals). Board members receive \$50 a day per diem along with reimbursement for travel (hotel, meals and mileage).	\$29,545	\$29,545	0
17 -562	Civil Service	Ethics Administration	Funding provides for a contract to develop online video streaming and other online training materials, a training development specialist and a public information officer. This funding provides for implementation of the second phase of Act 315 of 2007. Act 315 requires Ethics to develop an online training program on the Code of Governmental Ethics, Campaign Finance and lobbying activities. The act required education/training be available for statewide elected officials, legislators and public service commissioners beginning 1/1/08; other elected officials beginning 1/1/10; and public servants 1/1/12. Also provides for online training regarding filing of financial disclosure reports and training for the Ethics staff. The training specialist is needed to provide training for all elected officials throughout the state at the local, parish and state levels and to develop online tools and manuals. The Public Information Officer is needed to facilitate contact with the public regarding actions of the Ethics Administration. Ethics estimates that approximately 250,000 public servants will require 2 hours of ethics training/education every 4 years (62,500 per year). Approximately 4,573 elected officials will be required to receive training/education.	\$290,500	\$290,500	2
17 -564	Civil Service	Division of Administrative Law	IAT funding for salaries and related benefits to hire a temporary hearing officer while a permanent employee is deployed by the U.S. military.	\$0	\$73,686	0
17 -564	Civil Service	Division of Administrative Law	Increased IAT funding to continue administrative hearings for the Workforce Commission for assistance in conducting hearings in hurricane related unemployment cases.	\$0	\$100,000	0
<b>Major Enhancements for Civil Service</b>				<b>\$320,045</b>	<b>\$512,731</b>	<b>2</b>

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
19A-600	Higher Education	LSU - Board of Supervisors	Provides IAT funding to LA State University - Shreveport from the Department of Social Services with funds from the Temporary Assistance for Needy Families (TANF) Program for the LaPREP enrichment program for middle and early high school students.	\$0	\$250,000	0
19A-600	Higher Education	LSU - Board of Supervisors	Provides funding for Truancy Assessment and Services Centers Middle School Project in Jefferson Parish.	\$175,000	\$175,000	0
19A-600	Higher Education	LSU - Board of Supervisors	Provides funding for North Desoto Rural Health Care Center.	\$500,000	\$500,000	0
19A-600	Higher Education	LSU - Board of Supervisors	Increases in Medicaid claims payments (\$10.8M) and UCC payments (\$3.2M) to LSU HSC Shreveport Hospital.	\$0	\$14,104,084	0
19A-600	Higher Education	LSU - Board of Supervisors	Increases in Medicaid claims payments (\$4.7M) and UCC payments (\$1.1M) to Huey P. Long Hospital.	\$0	\$5,861,097	0
19A-615	Higher Education	SU - Board of Supervisors	Provides funding for Southern University - Shreveport, LA for the Business Incubator Program and collaborative training with LANO North.	\$250,000	\$250,000	0
19A-620	Higher Education	Univ of LA Board of Supervisors	Provides funding for Nicholls State University for the Center for Dyslexia and Related Learning Disorders.	\$25,000	\$25,000	0
19A-620	Higher Education	Univ of LA Board of Supervisors	Provides funding UL-Monroe for the Regional Senior Volunteer Program.	\$5,000	\$5,000	0
19A-649	Higher Education	LA Com & Tech Colleges - Board of Supervisors	Provides funding to LA Technical College for the Delta Ouachita Campus for the Business Program.	\$25,000	\$25,000	0
19A-661	Higher Education	Student Financial Assistance	Additional funding is provided to the Scholarships/Grants Program for Go Grant awards. With the \$5M increase in SGF and another \$5M in Act 122 (HB 881) bringing the total to \$34,226,000 (BA-7 for \$5M per Act 122 is pending).	\$10,000,000	\$10,000,000	0
19A-661	Higher Education	Student Financial Assistance	Additional funding for the Early Start Program (formerly the Dual Enrollment Program) is provided to the Scholarships/Grants Program from the Board of Regents. The total amount budgeted for FY 10 for the Early Start Program is \$5.5M.	\$1,500,000	\$1,500,000	0
19A-661	Higher Education	Student Financial Assistance	Additional SGF of \$1.8M for Go Grants bringing the total appropriation for Go Grants to \$26 million in FY10.	\$1,800,000	\$1,800,000	0
<b>Major Enhancements for Higher Education</b>				<b>\$14,280,000</b>	<b>\$34,495,181</b>	<b>0</b>

## Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
19B-651	Special Schools & Comm.	LA School for Visually Impaired (LSVI)	Federal funds (IDEA-Part B) are provided through IAT from the Department of Education to the Instructional Program for contracts with LSU A&M College to provide psychological and behavioral counseling services for LSVI students pursuant to their mandated Individualized Educational Programs.	\$0	\$117,000	0
19B-651	Special Schools & Comm.	LA School for Visually Impaired (LSVI)	Interagency transfer funds from the Board of Elementary & Secondary Education, the LA Quality Education Support Fund 8(g), are provided to the Instructional Services Program for superior textbooks and instructional materials.	\$0	\$100,000	0
<b>Major Enhancements for Special Schools &amp; Comm.</b>				<b>\$0</b>	<b>\$217,000</b>	<b>0</b>
19 -678	Elem. & Secondary Educ.	State Activities	Funding is provided for Career and Technical Education activities. The funding will be used to provide professional development for Career and Technical Education teachers. The Department of Education intends to recruit and train approximately 1,000 teachers.	\$1,000,000	\$1,000,000	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	Additional funding is provided through IAT from the Department of Social Services (TANF funds) for the Jobs for America's Graduates (JAG) Program. Currently, there are 22 districts with programs operating. JAG programs typically are awarded \$50,000 each to operate. With the additional funding provided over 44 new programs could be established. The total funding for FY 10 for JAG programs is \$4.6M.	\$0	\$2,360,000	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	Academic Improvement Program Project Learn.	\$250,000	\$250,000	0
<b>Major Enhancements for Elem. &amp; Secondary Educ.</b>				<b>\$1,250,000</b>	<b>\$3,610,000</b>	<b>0</b>
20 -451	Other Requirements	Local Housing of State Adult Offenders	Local Housing of Adult Offenders - Provides funding for Steve Hoyle Rehabilitation Center. The Department of Public Safety & Corrections is planning to enter into an agreement with the sheriff to provide reentry services for female offenders at the Steve Hoyle Rehabilitation Center in Tallulah, LA. Steve Hoyle Rehabilitation Center will be transitioned into a facility to house state inmates within the Local Housing of State Adult Offenders Program. Funding will provide for approximately 225 beds for 9 months with a \$7 cost per inmate day.	\$431,550	\$431,550	0
20 -452	Other Requirements	Local Housing of State Juvenile Offenders	Increase in funding for the Local Housing of Juvenile Offenders Program to treat youth pending placement as well as the cost associated with extended stay of youth in state custody. This funding is to properly align the FY 10 budget with statutes that require the Local Housing of Juvenile Offenders Program to be charged a higher rate due to inflation (R.S. 46:1906 and R.S. 15:824). For FY 09, the rate for pending secure is \$106.24 and the rate for pending non-secure is \$23.39.	\$1,148,236	\$1,148,236	0
20 -906	Other Requirements	District Attorneys / Assistant DA	This is an adjustment for the increase in the number of victim assistance coordinators. Act 416 of 2007 provided that the 11th JDC be divided to create the 42nd JDC. In accordance with Act 416, a crime victim's coordinator was also created. In addition to the creation of the 42nd JDC, the Treasurer's Office authorized an additional position for the 22nd JDC in February 2005 based on LA Tech University's Population estimate. Based on these 2 positions, there should be 63 crime victims assistance coordinators budgeted (not 61). State statute provides an annual salary of \$30,000 per victim's assistance coordinator. This enhancement also provides \$16,104 for other funding requirements for the increases in related benefits for district attorneys and assistant district attorneys.	\$76,104	\$76,104	0

**Major Enhancements in the FY 10 Budget Compared to the FY 09 Budget**

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
20 -906	Other Requirements	District Attorneys / Assistant DA	Annualization of the cost of 11 additional assistant district attorneys. Funding was provided in FY 09 for 22 pay periods as a result of Act 377 of 2008. This adjustment provides funding for 26 pay periods.  The legislation increased the number of assistant district attorneys in the 4th JDC (Morehouse and Ouachita parishes), 8th JDC (Winn Parish), 9th JDC (Rapides Parish), 14th JDC (Calcasieu Parish), 22nd JDC (St. Tammany and Washington parishes), 32nd JDC (Terrebonne Parish), and 40th JDC (St. John the Baptist Parish).	\$83,332	\$83,332	0
20 -966	Other Requirements	Supplemental Pay to Law Enforcement	Adjustment represents an increase in the per month supplemental payment to local law enforcement as a result of Act 664 of 2008. Act 664 increased the per month supplemental payment from \$425 per month to \$500 per month (change from \$5,100/year to \$6,000/year).  The programmatic breakdown of this increase is as follows: Municipal Police - \$5,362,500 Firefighters - \$4,541,400 Deputy Sheriffs - \$8,368,000  The projected number of participants utilized to calculate this adjustment are: Municipal Police - 5,958, Firefighters - 5,046, and Deputy Sheriffs - 9,298 (FY 10 Executive Budget Recommendation).	\$18,271,900	\$18,271,900	0
20 -966	Other Requirements	Supplemental Pay to Law Enforcement	Adjustment represents the additional amount needed to fund the \$100 per month supplemental payment to the Constables and Justices of the Peace. The FY 10 projected number of participants utilized to calculate this adjustment was 730 (as it appears in the FY 10 budget request) with a 5% growth rate.  $730 \times \$100 = \$73,000 + \$14,893 \text{ (Related Benefits)} = \$87,893 \times 12 \times 1.05 = \$1,107,452 - \$947,000 = \$160,452$  NOTE: Related Benefits - FICA 6.2%, Retirement - 12.75%, Medicare - 1.45%, \$947,000 is FY 09 existing operating budget	\$160,452	\$160,452	0
20 -977	Other Requirements	Debt Service & Maintenance	This adjustment provides an increase in funding for rent at the Baton Rouge State Office Building. The increase is necessary due to the termination of the long term lease with the Bologna family. The lease is now \$15,000 per month. This amount also includes \$2,500 in taxes.	\$166,900	\$166,900	0
20 -977	Other Requirements	Debt Service & Maintenance	This adjustment provides for an adjustment in the funding for the debt service payment to Federal City.	\$1,752,559	\$1,752,559	0
20 -977	Other Requirements	Debt Service & Maintenance	This adjustment provides for an increase in IAT funding from various state agencies housed in the Champion Building to provide for security expenses.	\$0	\$48,602	0
<b>Major Enhancements for Other Requirements</b>				<b>\$22,091,033</b>	<b>\$22,139,635</b>	<b>0</b>
<b>Major Enhancements of FY 2010</b>				<b>\$121,877,336</b>	<b>\$1,075,978,504</b>	<b>63</b>

### Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
01 -100	Executive	Executive Office	Annualization of a reduction for the High School Redesign Program in the Executive Office for FY 10. The FY 09 appropriation for High School Redesign was \$2M and was reduced to \$1.5M as part of the FY 09 budget cuts. This adjustment eliminates funding from the base budget for FY 10 for this program. The purpose of the High School Redesign initiative is to develop statewide policies and guiding principles that require all high schools to redesign their programs to create rigorous academic and career pathways.	-\$1,500,000	-\$1,500,000	0
01 -100	Executive	Executive Office	Elimination of a vacant Administrative Assistant position in the Office of Disability Affairs. Total salary for this position is approximately \$33,000 plus related benefits of \$9,000.	-\$42,000	-\$42,000	-1
01 -100	Executive	Executive Office	Eliminates funding (\$48,785 SGF and \$1,037,110 IAT) for acquisitions and major repairs. Funding is not specifically budgeted for acquisitions and major repairs for this agency for FY 10.	-\$48,785	-\$1,085,895	0
01 -101	Executive	Indian Affairs	Reduces excess authority in the Avoyelles Parish Local Government Gaming Mitigation Fund to the 3-year average, \$1,281,329. FY 09 authority was \$2.3M. The Avoyelles Parish Local Government Gaming Mitigation Fund provides funding to pay for police and fire protection plus road improvements. These funds flow through this agency to Avoyelles Parish government from the Tunica-Biloxi Casino.	\$0	-\$1,018,671	0
01 -102	Executive	Inspector General	Adjustment provides SGF savings through reductions in travel (\$22,064), operating services (\$8,862), supplies (\$3,820), IAT expenditures (\$44,892), professional services (\$5,000), and other compensation (\$5,928). FY 09 budget in these categories is as follows: travel (\$32,064); operating services (\$39,985); supplies (\$9,318); IAT expenditures (\$183,844); professional services (\$15,000); and other compensation (\$5,928).	-\$90,566	-\$90,566	0
01 -107	Executive	Division of Administration	Reduction of funding for the Enterprise Resource Planning (ERP) from the Overcollections Fund. Funding from Overcollections Fund is appropriated totaling \$18M for FY 10 which is a reduction of \$15,211,216. The state is currently in the process of implementing a new financial system which will be part of a multi-year project to provide a new solution to replace the existing statewide systems for financial, contract, and asset management, budget development, and purchasing. Implementation of this system, ongoing maintenance, and enhancement of the new financial system is anticipated to cost over \$100M over the next 7 years. Previous estimates provided by the DOA note a cost of \$94.5M to be expended through FY 11 for implementation costs and another \$28.3M through FY 15 for post implementation costs.	\$0	-\$15,211,216	0
01 -107	Executive	Division of Administration	Non-recurring Statutory Dedication funding from the State Emergency Response Fund (SERF). The available fund balance of SERF as of 8/15/09 is \$144M.	\$0	-\$20,198,655	0
01 -107	Executive	Division of Administration	Reduction of funding from the Community Water Enrichment Fund (source is SGF) to the CDBG Program totaling \$2.375M. These funds are to rehabilitate, improve, and construct projects for community water systems to provide drinking water to rural LA communities. FY 09 budget authority was \$9.5M and the appropriation for FY 10 is \$7.125M. The application deadline for local governments to apply for these funds was 4/9/09.	\$0	-\$2,375,000	0
01 -107	Executive	Division of Administration	Non-recurring excess budget authority in CDBG for FY 10. This will make the federal authority more in line with actual grant dollars received. The CDBG federal existing operating budget for disaster recovery funds in FY 09 was \$6.1B. It is anticipated that FY 10 CDBG funding will total \$4.6B.	\$0	-\$1,495,445,867	0
01 -107	Executive	Division of Administration	Reduces funding for software licenses for archiving email.	-\$500,000	-\$500,000	0
01 -107	Executive	Division of Administration	Reduces the amount allocated for wages of part-time employees and rehired retirees in FY 09 by 60%.	-\$475,765	-\$475,765	0

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
01 -107	Executive	Division of Administration	Reduction represents the elimination of the Office of Electronic Services. The reduction includes operating services (\$90,000), professional services (\$100,000), and IAT expenditures (\$485,000) associated with a contract with the LSU Office of Sponsored Programs. This office merged into the Office of Information Technology.	-\$675,000	-\$675,000	0
01 -107	Executive	Division of Administration	Reduces funding for economic impact analysis of project which the DOA is involved in such as GO Zone and Entertainment Tax Credit programs (\$550,000). In addition, a reduction is included for funding of guaranteed rounds at the Tournament Players Club (TPC) (\$850,000) and funding for the Capital Area Corporate Recycling Project (\$250,000). The Capital Area Recycling Project refurbishes computers.  Funding associated with the economic impact analysis was to provide outside analysis of projects the DOA reviews such as new budget initiatives, capital outlay, GO Zone, etc. Overall economic impact models for broad categories of projects were to be developed. Models were to provide general guidance to improve the return on investment to the taxpayers.  Funding for the TPC is related to a contractual agreement between the state and the TPC in which the state guaranteed a specific number of rounds of play each year booked through local hotels. The state has paid \$4.2M on unplayed rounds of golf since FY 06. This was part of a 5-year agreement with the TPC.	-\$1,650,000	-\$1,650,000	0
01 -107	Executive	Division of Administration	Reduces funding for the position of Deputy Chief Information Officer (\$150,679). The position is not part of the authorized T.O. of the agency and is compensated through other charges. The adjustment also includes funding for professional services (\$124,000) related to the position.	-\$274,679	-\$274,679	0
01 -107	Executive	Division of Administration	Reduction includes funding for CPTP training for specific needs identified by Undersecretaries in the Executive Branch who felt additional training options were needed. According to the DOA, funding was originally provided during the Foster administration for additional training not already offered by CPTP. Actual expenses associated with this training over the previous 3 fiscal years is as follows: FY 07 - \$14,795; FY 08 - \$0; and FY 09 - \$0.	-\$120,045	-\$120,045	0
01 -107	Executive	Division of Administration	Elimination of funding for the administration and monitoring of the Local Government Assistance Program (LGAP) in CDBG. Four positions and funding were provided for the administration of this program in FY 08 in the Office of Community Development (OCD). CDBG staff notes that if additional state funds are available to continue the LGAP, these administrative costs will likely be funded through that source due to this not being an allowable expense for ARRA funds.	-\$230,714	-\$230,714	0
01 -107	Executive	Division of Administration	Elimination of the State Grants Management Office in the CDBG Program. Three staff employees will remain with the CDBG Program but most functions of this office will be discontinued. This section was created to research numerous federal and foundation sources in order to find funding opportunities available to state agencies, local governments, and non-profit organizations. Other duties of this office include writing technical assistance in prospect research and grant writing; notifying state agencies, units of local governments and non-profit organizations of funding opportunities; maintaining the LA Assistance Resource Center; and reporting grant awards and expenditure information of state agencies.  The LA Assistance Resource Center is a resource for grant writing information. Included on this web page is helpful links to funding opportunities, technical assistance and other resources for LA parishes, cities, towns, communities, and faith-based and non-profit organizations.	-\$290,378	-\$290,378	0
01 -107	Executive	Division of Administration	Non-recurring funding (\$428,721 SGF, \$72,841 IAT, \$31,134 SGR and \$20,000 Statutory Dedications) for acquisitions and major repairs. No funding is specifically budgeted for acquisitions and major repairs in FY 10.	-\$428,721	-\$552,696	0

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
01 -107	Executive	Division of Administration	Non-recurring excess budget authority (\$906,626 IAT and \$70,300 Statutory Dedications) in operating services and other charges for the Executive Administration Program. These funds are not needed in FY 10.	\$0	-\$976,926	0
01 -111	Executive	Homeland Security & Emergency Prep	Reduces budget authority in the FEMA Reimbursement Fund. This funding was provided in FY 09 to satisfy the state match requirement (25%) for Other Needs Assistance. The Other Needs Assistance Program helps eligible individuals and families pay for items and services such as transportation expenses, household items and clothing, medical and dental care, and equipment to help repair damaged homes such as power tools and dehumidifiers. Under the terms of the FEMA-State agreement, the federal funds provided under the Stafford Act are limited to 75% of the total eligible cost, with the state being responsible for the remaining 25%. These expenses were related to hurricanes Gustav and Ike.	\$0	-\$10,381,806	0
01 -111	Executive	Homeland Security & Emergency Prep	Non-recurring budget authority in the Overcollections Fund. One-time funding was utilized for match purposes related to Hazard Mitigation, Public Assistance, and other FEMA programs (\$3,187,371). Funding through the Overcollections Fund was also provided for salaries and related benefits of parish Office of Emergency Preparedness Directors (\$3M).  The \$3.2M allowed for a total of \$47,000 (plus a minimum of \$20,000 from an Emergency Management Performance Grant or EMPG grant) to be distributed to parishes for expenses related to salaries for support staff and operating costs related to those positions. EMPG grant dollars will continue to be provided to the parishes for this purpose. GOHSEP has noted that it will continue to search for grant funds which it can make available to the local governments to supplement this EMPG funding. The EMPG funding will increase to \$4,869,872 for FY 10 from \$4,636,968 in FY 09.	\$0	-\$6,187,371	0
01 -112	Executive	Military Department	Adjustment provides for a reduction in IAT, SGR, and federal budget authority. Included in this reduction is \$3,616,903 IAT from the Office of Risk Management which is associated with fire damage to the facility in 2004; \$765,024 SGR due to a reduction in timber sales and revenue from housing associated with Jackson Barracks; and \$6,013,994 in federal budget authority associated with a decline in federal agreements for maintenance, security, etc. which has resulted in excess budget authority.	\$0	-\$10,395,921	0
01 -112	Executive	Military Department	Non-recurring Statutory Dedications funding from the SERF Fund (\$5,444,714) and IAT (\$7,026,009). These funds were used for expenditures relative to the deployment of the LNG to New Orleans to assist with law enforcement efforts post-Katrina. A total of \$62.7M was expended from FY 06 to FY 09 related to the presence of LNG in New Orleans. An additional \$6.4M was expended for the State Police deployment in fiscal years 06 and 07.	\$0	-\$12,470,723	0
01 -112	Executive	Military Department	Non-recurring funding (\$24,665 IAT, \$21,674 SGR, \$3,570,231 Statutory Dedications and \$412,662 Federal) for acquisitions and major repairs. No funding is provided for this expenditure in FY 10.	\$0	-\$4,029,232	0
01 -112	Executive	Military Department	A total of 52 positions are eliminated in the Military Department. As of 3/26/09, the department had a total of 49 vacant positions which were primarily due to the reduction of federal funds associated with security of the Military Department's facilities around the state. Federal funds continue to fund approximately 50 positions around the state for this purpose.	\$0	-\$2,641,808	-52
01 -112	Executive	Military Department	Adjustment provides funding from other line items to enable the Military Department to pay its risk management premium for FY 10. Other line items reduced include supplies, operating services, and travel.	-\$2,198,885	-\$2,198,885	0
01 -114	Executive	Women's Policy	Reduces funding for professional services contracts for out-of-state consultation (\$130,804 professional services) and for travel in other charges (\$201,537).	-\$332,341	-\$332,341	0
01 -114	Executive	Women's Policy	Reduces operating expenses in travel (\$39,000) operating services (\$59,700), and supplies (\$21,800). The agency has eliminated all out-of-state travel and in-state travel to conferences has been reduced. Reductions were also made in printing, maintenance of equipment, and data processing.	-\$120,500	-\$120,500	0

### Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
01 -129	Executive	LA Commission on Law Enforcement	Reduction of 8 vacant positions. A total of 10 vacancies existed in the agency with 2 in the process of being filled by the agency. A reduction in federal funds and the consolidation of job assignments have resulted in the vacancies being reduced.	-\$95,402	-\$435,160	-8
01 -129	Executive	LA Commission on Law Enforcement	Non-recurring funding (\$59,715 SGF, \$24,899 SGR, \$9,300 Statutory Dedication and \$137,287 Federal) for acquisitions and major repairs. No acquisitions and major repairs funding is available for FY 10.	-\$59,715	-\$231,201	0
01 -129	Executive	LA Commission on Law Enforcement	Reduces funding associated with the Hurricane Criminal Justice Infrastructure Recovery Grant. A total of \$82.25M was provided through 2 separate federal grants for recovery efforts following Hurricane Katrina. The first grant totaling \$58.25M ended in August 2009. The second grant of \$24,579,509 will conclude in August 2010. According to LCLE, of the \$11M budgeted for these grants in FY 09, \$7M will remain from the second grant for expenditure in FY 10.	\$0	-\$4,000,000	0
01 -129	Executive	LA Commission on Law Enforcement	Reduces funding associated with administering the Edward Byrne Grant by approximately \$2M and the Family Justice Center Grant by nearly \$1M. The Family Justice Grant was a one-time federal grant in the amount of \$1,949,756 for New Orleans. In addition, federal grant funds provided for the Edward Byrne Grant will decline from \$6,347,804 in FY 09 to \$4,458,151 in FY 10.  The Edward Byrne Memorial Justice Assistance Grant Program allows states to support a broad range of activities to prevent and control crime and to improve the criminal justice system. The Family Justice Grant expanded on efforts to create an improved criminal justice system which began in 1994 with the establishment of the Mayor's Domestic Violence Advisory Committee. The grant was provided to: 1) establish Phase I of the New Orleans Family Justice Center (FJC) to provide centralized co-located services for victims of domestic violence; 2) provide available on-site child care services to support victims through the intake and legal process; 3) develop protocols, policies and procedures for FJC partners and provide best practices training; 4) help victims with navigating the court system through the incorporation of court advocacy services; 5) develop a data collection and information sharing system to improve survivor safety and batterer accountability and includes safety precautions to protect data and insure client confidentiality; and 6) implement a comprehensive volunteer program, etc.	\$0	-\$3,000,000	0
01 -129	Executive	LA Commission on Law Enforcement	Eliminates funding for the Homicide Training Program. LA holds the #1 ranking by the FBI's Uniform Crime Reporting Program for homicides per capita in the U.S. over the past 15 years which indicated a need for training the state's homicide investigators. This program was instituted and administered by the LCLE and provided access to proven training that allows investigators to utilize consistent, high-quality investigative techniques in their investigations. Training topics include basic homicide investigation, advanced homicide investigation, basic crime scene processing, interview and interrogation, bloodstain interpretation, domestic violence homicide, crime scene reconstruction, and digital photography.  5 different classes were held in FY 09 around the state with 121 students completing the coursework. An additional 7 classes were scheduled with 144 students enrolled for those classes. Classes are open to LA sworn officers and there is no attendance fee. Classes are generally held at POST accredited academies around the state. Each course typically lasts 5 days. According to the LCLE, most parishes have participated in the training courses and all the major departments in LA have taken part.  SGF funding history for this program is as follows: FY 04 \$350,000; FY 05 \$487,028; FY 06 \$261,078; FY 07 \$350,000; FY 08 \$350,000; and FY 09 \$325,000.	-\$325,000	-\$325,000	0
01 -133	Executive	Elderly Affairs	Non-recurring IAT funding from the Department of Insurance for counseling services transferred to the Office of Elderly Affairs for outreach activities and providing medicare and insurance related counseling. These services were provided in the New Orleans and Lake Charles areas following hurricanes Katrina and Rita. Funding provided through the Senior Health Insurance Information Program (SHIIP) grant.	\$0	-\$56,000	0

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
01 -254	Executive	LA Racing Commission	Non-recurring SGR funding for acquisitions and major repairs. Funding is not provided for acquisitions and major repairs for FY 10.	\$0	-\$128,519	0
01 -255	Executive	Financial Institutions	Reduction of SGR and 7 vacant positions which include a deputy assistant secretary, 4 Compliance Examiners, a compliance examiner assistant, and an administrative program specialist. The Office of Financial Institutions notes that after these 7 positions are eliminated, the agency will have only one vacant position included in the 115 positions authorized for FY 10.	\$0	-\$449,817	-7
01 -255	Executive	Financial Institutions	Non-recurring SGR funding for acquisitions and major repairs. Funding is not provided for acquisitions and major repairs for FY 10.	\$0	-\$163,939	0
01 -255	Executive	Financial Institutions	Non-recurring funding for the one-time development costs associated with the creation of the Nationwide Mortgage Licensing System per Act 929 of 2008. The program has been implemented and is currently in use.	-\$259,720	-\$259,720	0
01 -259	Executive	Board of Cosmetology	Adjustment transfers SGR funding and positions off budget for FY 10 for the Board of Cosmetology.	\$0	-\$1,748,740	-25
<b>Major Reductions for Executive</b>				<b>-\$9,718,216</b>	<b>-\$1,602,270,756</b>	<b>-93</b>
03 -131	Veterans' Affairs	LA War Veterans' Home	Non-recurring funding for acquisitions and major repairs in the amount of \$561,131 (Total MOF) for FY 09. FY 10 funding for acquisitions and major repairs is \$117,225 (Total MOF). Net decrease is \$443,906 (Total MOF) for FY 10. FY 09 acquisitions and major repairs were substantial due to requirements of Veterans Administration survey team. Total SGF reduced from FY 09 is \$522,202.	-\$522,202	-\$443,906	0
03 -134	Veterans' Affairs	Southwest LA War Veterans' Home	Reduces funding (\$137,700 SGR and \$94,812 Federal) and 6 positions including 2 Licensed Practical Nurses (LPNs) and 4 nursing assistant positions.	\$0	-\$232,512	-6
<b>Major Reductions for Veterans' Affairs</b>				<b>-\$522,202</b>	<b>-\$676,418</b>	<b>-6</b>
04a-139	State	Secretary of State	Removes non-recurring Statutory Dedications from the Overcollections Fund utilized at the Schepis (\$75,000), Cotton (\$6,498), and LA Military Hall of Fame museums (\$78,414). No funding recommended for Schepis and the LA Military Hall of Fame museums. Funding for Cotton Museum is reduced from \$111,593 to \$105,095.	\$0	-\$159,912	0
04a-139	State	Secretary of State	Reduced funding for election expenses, due to no scheduled statewide elections in FY 10. Not having a scheduled statewide election results in a reduction in the number of voting precincts that are required to be open. During statewide elections, all precincts are required to be open.	-\$10,341,811	-\$10,341,811	0
04a-139	State	Secretary of State	Reduced 2 clerical positions and 1 auditor position from the Administration Program, 1 computer position from the Elections Program and 1 custodian position from the Museums Program.	-\$249,704	-\$249,704	-5
<b>Major Reductions for State</b>				<b>-\$10,591,515</b>	<b>-\$10,751,427</b>	<b>-5</b>

### Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
04b-141	Justice	Attorney General	Non-recurring one-time Statutory Dedications from the Overcollections Fund which provided for mental health and crisis intervention services for first responders in the New Orleans Area.	\$0	-\$250,000	0
04b-141	Justice	Attorney General	Reduces funding for Advocacy Center Ombudsman Program. Recommended funding for FY 10 is \$725,000.	-\$163,800	-\$163,800	0
04b-141	Justice	Attorney General	One-time non-recurring Statutory Dedications from the Overcollections Fund for the internet safety education initiative for the prevention of child abuse.	\$0	-\$125,000	0
04b-141	Justice	Attorney General	Reduces the number of positions along with the associated funding for salaries and related benefits, building security services provided by local sheriff deputies and supplies. In addition to SGF, the total reduction includes \$45,154 IAT.	-\$1,877,334	-\$1,922,488	-21
04b-141	Justice	Attorney General	Reduction in travel, supplies, other charges and interagency transfers based on 5-year historical expenditure pattern.	-\$320,000	-\$320,000	0
04b-141	Justice	Attorney General	Reduces Statutory Dedications from Legal Expense Fund to reflect anticipated collections.	\$0	-\$78,483	0
04b-141	Justice	Attorney General	Reduces Tobacco Control Special Fund to reflect FY 10 anticipated collections of \$200,000. Revenue derives from fees for violations involving licensing of stamping agents or certification of tobacco product manufacturers.	\$0	-\$14,792	0
04b-141	Justice	Attorney General	Reduces the IAT agreement with the Department of Natural Resources for litigation under Coastal and Land to reflect anticipated expenditures.	\$0	-\$500,000	0
04b-141	Justice	Attorney General	Removes excess budget authority to reflect anticipated needs in the Criminal Law and Medicaid Fraud Program.	\$0	-\$300,000	0
<b>Major Reductions for Justice</b>				<b>-\$2,361,134</b>	<b>-\$3,674,563</b>	<b>-21</b>
04c-146	Lieutenant Governor	Lt. Governor	Elimination of 3 vacant positions, along with associated funding for salaries and related benefits.	-\$206,928	-\$206,928	-3
<b>Major Reductions for Lieutenant Governor</b>				<b>-\$206,928</b>	<b>-\$206,928</b>	<b>-3</b>

**Major Reductions in the FY 10 Budget Compared to the FY 09 Budget**

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>																	
04d-147	Treasury	State Treasury	Reduces SGF and 3 positions for audit and compliance activity.	-\$280,946	-\$280,946	-3																	
04d-147	Treasury	State Treasury	Eliminates funding to help with research on population estimates which are used for the distribution of monies appropriated for the Parish Transportation Program.	-\$72,334	-\$72,334	0																	
04d-147	Treasury	State Treasury	Reduces Statutory Dedications from Incentive Fund to \$100,000.	\$0	-\$850,000	0																	
<b>Major Reductions for Treasury</b>				<b>-\$353,280</b>	<b>-\$1,203,280</b>	<b>-3</b>																	
04f -160	Agriculture & Forestry	Agriculture & Forestry	Adjustment reduces positions and associated funding (\$768,360 SGF and \$184,027 SGR). The programmatic breakdown of the 25 positions and total funding being reduced is as follows: Marketing - 2, \$110,372; Agricultural & Environmental Science - 9, \$276,510; Animal Health - 4, \$74,766; Agro-Consumer Services - 3, \$197,205; Forestry - 6, \$215,599; and Soil & Water Conservation - 1, \$77,935. <u>According to the department, all of these positions are currently filled.</u>	-\$768,360	-\$952,387	-25																	
04f -160	Agriculture & Forestry	Agriculture & Forestry	Non-recurring funding from a FY 09 JLCB approved BA-7 in the amount of \$13,319,113 IAT for hurricane related expenditure reimbursement (Hurricane Gustav - \$9,808,307, Hurricane Ike - \$3,510,806). The original source of these IAT funds is federal funds from FEMA. <u>This is a one-time expenditure in FY 09.</u>	\$0	-\$13,319,113	0																	
04f -160	Agriculture & Forestry	Agriculture & Forestry	Reduction in Statutory Dedicated funding from the Overcollections Fund for the Pursuing a Dream Foundation - Outdoors Without Limits.	\$0	-\$50,000	0																	
04f -160	Agriculture & Forestry	Agriculture & Forestry	Decreases Statutory Dedicated funding which is broken down by fund as follows: Seed Commission Fund (\$80,224), Horticulture Fund (\$78,753), and Weights & Measures Fund (\$429,303).	\$0	-\$588,280	0																	
				<table border="0"> <tr> <td></td> <td align="center">Weights &amp; Measures</td> <td align="center">Horticulture Commission</td> <td align="center">Seed Commission</td> </tr> <tr> <td>Revenue Avail. in FY 10</td> <td align="right">\$1,378,090</td> <td align="right">\$845,559</td> <td align="right">\$262,476</td> </tr> <tr> <td>FY 10 (Act 10)</td> <td align="right">\$1,368,909</td> <td align="right">\$845,559</td> <td align="right">\$344,026</td> </tr> <tr> <td>FY 10 Surplus/(shortfall)</td> <td align="right"><u>\$9,181</u></td> <td align="right"><u>\$0</u></td> <td align="right"><u>(\$81,550)</u></td> </tr> </table>		Weights & Measures	Horticulture Commission	Seed Commission	Revenue Avail. in FY 10	\$1,378,090	\$845,559	\$262,476	FY 10 (Act 10)	\$1,368,909	\$845,559	\$344,026	FY 10 Surplus/(shortfall)	<u>\$9,181</u>	<u>\$0</u>	<u>(\$81,550)</u>			
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FY 10 Surplus/(shortfall)	<u>\$9,181</u>	<u>\$0</u>	<u>(\$81,550)</u>																				
<u>It may be necessary to reduce the Seed Commission Fund budget authority in the amount of \$81,550 or a means of financing be included that replaces the projected shortfall with SGF.</u>																							
04f -160	Agriculture & Forestry	Agriculture & Forestry	Non-recurring SGR funding from a FY 09 JLCB approved BA-7 in the Forestry Program. The original source of the collected fees is from the state of Texas to compensate the department for personnel and equipment utilized by the Texas Forest Service during their recent extreme fire conditions. According to the department, these firefighting services were provided from January 2008 to September 2008 to the state of Texas pursuant to the Southeastern States Forest Fire Compact Commission. <u>This was a one-time expenditure in FY 09.</u> The specific expenditures reduced: salaries (\$487,308), related benefits (\$276,104), and supplies (\$426,591).	\$0	-\$1,190,003	0																	
<p>LA is a member of the Southeastern States Forest Fire Compact Commission. Other state members of the compact include: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia.</p>																							
04f -160	Agriculture & Forestry	Agriculture & Forestry	Non-recurring one-time IAT funding via a JLCB approved BA-7 to purchase P25 compliant radios to be utilized on the state's 700/800 MHz radio system. The original source of this IAT funding is from the GOHSEP, which received this funding via a federal grant. GOHSEP received a Public Safety Interoperable Communications (PSIC) federal grant in the total amount of \$19.672M of which \$1.05M was allocated for the following state agencies: Department of Agriculture & Forestry, Department of Revenue, BESE, Office of State Buildings, Office of State Parks and Department of Wildlife & Fisheries. The portion of the \$1.05M allocated for the Department of Agriculture & Forestry is \$200,000.	\$0	-\$200,000	0																	

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
04f -160	Agriculture & Forestry	Agriculture & Forestry	Eliminates funding for the Facilities Maintenance Program within the Office of Management & Finance. Currently, the Facilities Maintenance Program is responsible for the repairs and maintenance of 106 properties and 253 buildings valued at \$39.2M department-wide. Under the current structure, the department pays approximately \$1M in rent to the LAFA for all, but 9 facilities occupied by the department and the rental income covers annual utility and supplies expenditures only. LAFA, which is an off-budget entity, currently does not have any employees. Thus, the department provides and funds the maintenance personnel for LAFA. This specific reduction includes filled positions. This reduction effectively eliminates the department's Facilities & Maintenance Program. The types of positions being reduced are all currently filled and they consist of: maintenance repairers, maintenance superintendents, painters and welders.	-\$1,610,666	-\$1,610,666	-28
04f -160	Agriculture & Forestry	Agriculture & Forestry	Reduces funding and 6 positions in the Office of Marketing that provides financial assistance and counsel to agribusiness for processing, storage, and marketing facilities or other operating expenses. The office also provides the Market News and publishes the Market Bulletin as well as assists community boards and commissions with their market development programs and collection of their assessments. <u>Act 24 of 2009 authorizes the transfer of the Marketing Program into the Office of Management &amp; Finance Program. In Act 10 of 2009, the Marketing Program's recommended funding is \$5.3M and 32 positions. The expenditure categories impacted by this reduction are: salaries (\$382,517), operating services (\$564,779), and other charges (\$509,923).</u>	-\$1,457,219	-\$1,457,219	-6
04f -160	Agriculture & Forestry	Agriculture & Forestry	Reduces funding for the Pesticide & Pest Control activity that is responsible for regulating the use of all pesticides to assure that the health and environment of the state's citizens and natural resources are maintained and enhanced. According to the department, Environmental Protection Agency (EPA) pesticide inspection quotas are not being met due to budget reductions. The specific activities are: pesticide surface water monitoring program and Atrazine water sampling program. <u>According to the department, the 14 positions are currently filled.</u>	-\$778,694	-\$778,694	-14
04f -160	Agriculture & Forestry	Agriculture & Forestry	Reduces funding and 2 positions for the Dairy Stabilization Board. According to the department, these positions are currently filled. The Dairy Stabilization Board licenses all dairy product processors, distributors and retailers in order to protect the dairy farmers from price wars and disruptive trade practices. The board consists of 9 members, 8 of whom are appointed by the Commissioner of Agriculture & Forestry (R.S. 3:557).	-\$180,010	-\$180,010	-2
<p>The following boards and commissions, comprised of 295 members, are under the auspice of the Department of Agriculture &amp; Forestry: Agricultural Commodities Commission (10), LA Board of Animal Health (18), LA Agricultural Finance Authority (11), LA Aquatic Chelonian Research &amp; Promotion Board (11), Boll Weevil Eradication Commission (9), Catfish Promotion &amp; Research Board (7), Crawfish Promotion &amp; Research Board (14), Dairy Industry Promotion Board (16), Dairy Stabilization Board (8), Egg Commission (16), Feed Commission (12), Fertilizer Commission (5), Forestry Commission (7), Formosan Termite Task Force (11), Horticulture Commission of LA (13), Livestock Brand Commission (11), State Soil &amp; Water Conservation Commission (8), LA Advisory Commission on Pesticides (18), LA Rice Promotion Board (10), LA Rice Research Board (13), Seed Commission (5), Soybean &amp; Grain Research &amp; Promotion Board (10), State Market Commission (10), LA Strawberry Marketing Board (14), Structural Pest Control Commission (5), Sweet Potato Advertising &amp; Development Commission (11), Commission of Weights &amp; Measures (12).</p>						

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
04f -160	Agriculture & Forestry	Agriculture & Forestry	<p>Non-recurring federal funding from a FY 09 approved JLCB BA-7 (\$1,943,468) and non-recurring excess federal budget authority from an Office of Statewide Reporting &amp; Accounting Policy (OSRAP) rejected carryforward BA-7 (\$1,943,468) for a total reduction of \$3.9M. The department originally submitted \$1.9M as an in-house carry forward BA-7 in August 2008 to be approved by the DOA. Once approved by the commissioner, OSRAP would not approve the necessary entries in the state's financial system because the department did not have sufficient federal budget authority to carry forward into FY 09. Thus, this BA-7 was rejected by OSRAP after the department encumbered expenditures associated with the initially approved carry forward BA-7. According to OSRAP, the department only had \$850,070 of actual FY 08 federal authority in the financial system to carry forward into FY 09. In FY 08, the department had approximately \$18.7M of federal budget authority. According to the department's FY 10 budget request, the department expended \$17,860,247 in federal funds in FY 08. Of the \$17.9M, \$2.5M was a federal means of financing treasury seed approved by the commissioner and the State Treasury in June 2008 to alleviate the cash flow problems within the department's operating budget. The seed rolled forward into FY 09 and the department repaid the seed through various fund balances from various statutory dedicated funds in FY 09. <u>Due to the department not submitting the necessary BA-7 to reduce the rejected federal budget authority, this adjustment represents a reduction of an approved JLCB BA-7 (November 2009) and the reduction of excess authority that should have been reduced via an in-house BA-7.</u></p>	\$0	-\$3,886,936	0
04f -160	Agriculture & Forestry	Agriculture & Forestry	<p>Reduces the remaining federal funding associated with Hurricane Katrina supplemental grant funding initially awarded to the department in 2006. The \$200,000 reduces the rest of the funding associated with this one-time expenditure.</p> <p><b>Note:</b> The DOA mistakenly reduced \$2.1M and the Legislature added back \$1.9M due to the error during the FY 10 Executive Budget development. Thus, the net impact of these adjustment is a reduction of federal authority of \$200,000.</p>	\$0	-\$200,000	0
04f -160	Agriculture & Forestry	Agriculture & Forestry	<p>Reduces acquisitions expenditure authority in the amount of \$1.2M. Approximately \$196,289 (\$181,771 SGR and \$14,518 Federal) is allocated in FY 10 for acquisitions and major repairs and \$1.4M was budgeted in FY 09. DOA non-recurred approximately \$1.3M in FY 09 acquisitions and major repairs and only recommended \$196,289 for FY 10. The 3-year historical acquisitions and major repairs actual expenditures department-wide is approximately \$0.8M. The past 3 fiscal years of actual acquisitions expenditures are: FY 08 - \$1,774,757, FY 07 - \$245,833, and FY 06 - \$515,666. The department is planning to purchase the following acquisitions in FY 10: \$35,397 for office equipment, \$13,431 for lab equipment, and \$147,461 for vehicles. In its FY 10 budget request, the department requested approximately \$12.9M acquisitions and major repairs funding. Historically, the Department utilized its bond issuance powers through the LA Agricultural Finance Authority (LAFA) to purchase needed acquisitions and major repairs. Thus, the 3-year historical acquisitions average could be misleading.</p>	-\$769,529	-\$1,200,147	0

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.								
04f-160	Agriculture & Forestry	Agriculture & Forestry	<p>The Boll Weevil Eradication Program is approximately \$0.4M short in revenues for projected FY 10 expenditures. The Department of Agriculture &amp; Forestry's Boll Weevil Eradication Program utilizes the Boll Weevil Eradication Fund to fund its yearly expenditures. Per R.S. 3:1615, this fund collects assessments based upon the number of acres of cotton planted in an eradication zone. According to the agency, there are various reasons as to why a shortfall exists. Those reasons include: 1) Overall reduction in cotton acreage from 300,000 to 240,000 causing revenues from the \$6 per assessment per acre to decrease from \$1.8M to \$1.3M. These revenue collections are deposited in the Boll Weevil Eradication Fund. 2) In the locations where corn and soybeans were planted in place of cotton, the boll weevil population remains, and will require spraying in 2010 (crop rotation). Below is the projected FY 10 expenditure break down:</p> <table style="margin-left: 40px; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">TOTAL COSTS</td> <td style="text-align: right;">\$5,788,362</td> </tr> <tr> <td style="padding-left: 20px;"><i>Less: SGF FY 10 Budget</i></td> <td style="text-align: right;"><i>(\$3,933,336)</i></td> </tr> <tr> <td style="padding-left: 20px;"><i>Less: Assessment Revenue</i></td> <td style="text-align: right;"><i>(\$1,440,000)</i></td> </tr> <tr> <td style="padding-left: 20px;">TOTAL SHORTFALL</td> <td style="text-align: right; border-top: 1px solid black;">\$415,026</td> </tr> </table> <p><b>Note:</b> Even though the program is projected to be approximately \$0.4M short for FY 10, the department will reduce its projected FY 10 expenditures to reflect budgetary resources appropriated by the legislature for FY 10.</p>	TOTAL COSTS	\$5,788,362	<i>Less: SGF FY 10 Budget</i>	<i>(\$3,933,336)</i>	<i>Less: Assessment Revenue</i>	<i>(\$1,440,000)</i>	TOTAL SHORTFALL	\$415,026	-\$415,026	-\$415,026	0
TOTAL COSTS	\$5,788,362													
<i>Less: SGF FY 10 Budget</i>	<i>(\$3,933,336)</i>													
<i>Less: Assessment Revenue</i>	<i>(\$1,440,000)</i>													
TOTAL SHORTFALL	\$415,026													
<b>Major Reductions for Agriculture &amp; Forestry</b>				<b>-\$5,979,504</b>	<b>-\$26,028,481</b>	<b>-75</b>								
04g-165	Insurance	Commissioner of Insurance	Non-recurring SGR funding for the annual LA Equipment Acquisition Fund (LEAF) payments, which began in FY 07. Instead of purchasing computer equipment outright for approximately \$500,000 in FY 07, the department financed the equipment over a 3-year period. The payments were made in FY 07, FY 08 and FY 09. Thus, this expenditure authority is no longer needed in FY 10 and should be reduced.	\$0	-\$168,204	0								
04g-165	Insurance	Commissioner of Insurance	Non-recurring one-time federal budget authority for the Senior Health Insurance Information Program (SHIIP), which receives its grant monies from the Centers for Medicare & Medicaid Services (CMS). These monies were used to specifically target and assist people eligible for a low-income subsidy in understanding the subsidy and assist individuals with filling out the necessary applications. The majority of this funding, \$245,400, was appropriated within the professional services expenditure category.	\$0	-\$270,400	0								
04g-165	Insurance	Commissioner of Insurance	Adjustment represents approximately a 20% reduction to travel, supplies, acquisitions and professional services. The specific expenditure impact of these reductions is as follows: <i>Travel</i> - (\$169,373) - 27% reduction (\$456,502 recommended for FY 10); <i>Supplies</i> - (\$93,529) - 27% reduction (\$249,114 recommended for FY 10); <i>Professional Services</i> - (\$1,045,242) - projected contract savings within the Administration & Market Compliance Program; and <i>Other Charges/Acquisitions</i> - (\$164,086).	\$0	-\$1,472,230	0								
04g-165	Insurance	Commissioner of Insurance	Reduces SGR funding in the Administrative Program (\$463,910 and 2 positions) and Marketing Compliance Program (\$541,745 and 5 positions). The specific breakdown of these reductions is as follows: \$386,599 for salary/related benefits and \$619,056 for other compensation positions. The positions to be reduced are: Policy Planner 4 (vacant), Insurance Compliance Technician (vacant), Insurance Compliance Exam Specialist (will become vacant due to scheduled retirement), Insurance Compliance Exam Specialist (vacant), Insurance Compliance Exam Specialist (frozen-vacant), Insurance Compliance Exam Specialist (will become vacant due to scheduled retirement), Insurance Compliance Exam Specialist (frozen-vacant), and the reduction of 32 other compensation positions (student workers & temporary appointments). The 32 other compensation positions are broken down as follows: 16 - student workers, 16 - temporary appointments.	\$0	-\$1,005,655	-7								
<b>Major Reductions for Insurance</b>				<b>\$0</b>	<b>-\$2,916,489</b>	<b>-7</b>								

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
05 -252	Economic Development	Business Development	Due to the non-recurring nature of the fund, the Rapid Response Fund authority was reduced by the amount of projects for Caddo Bossier Port Commission, LaShip, LLC/Terrebonne Port Commission, and ERA Helicopters, LLC (-\$17,744,876). The Rapid Response Fund was funded at \$47.1M in FY 09 and is funded at \$27M in FY 10 with \$10M from SGF and \$17M in an unappropriated fund balance from FY 09. In the Supplemental Appropriations Bill (Act 122 of 2009), an additional \$1.2M is appropriated in FY 10 for the Saint Gobain project to support competitiveness at the Simsboro facility. Saint Gobain is a glass container facility located in Simsboro, Louisiana, which is near Ruston. The plant is upgrading a furnace in order to obtain a competitive cost of production within the industry, and LED is providing \$1.2M on an estimated \$25M - \$30M project. The company upgraded a different furnace in 2008 but lost the Kraft account, which was a large portion of their customer base. Kraft is switching to plastic containers. This additional authority brings the total amount of appropriation from the Rapid Response Fund to \$28.2M in FY 10.	\$0	-\$17,744,876	0
05 -252	Economic Development	Business Development	Non-recurring one-time grant funding from the federal government. The first grant was for \$25,000 from the USDA Rural Development Program through the Delta Regional Authority to help implement a region-wide strategic plan for rural economic development initiatives in the Mississippi River Delta Region. The second grant was a \$2.5M grant from the Economic Development Administration for hurricane recovery but with enough flexibility to use the funds in manners consistent with the department's priorities related to economic development activities in the state.	\$0	-\$2,525,000	0
05 -252	Economic Development	Business Development	Reduces funding for the Northeast LA Economic Alliance (formerly Macon Ridge Economic Development Region), which was \$400,000 in FY 09. The Northeast LA Economic Alliance is a regional economic development organization representing the following parishes: Caldwell, Catahoula, Concordia, East Carroll, Franklin, LaSalle, Madison, Morehouse, Ouachita, Richland, Tensas, Union, and West Carroll.	-\$200,000	-\$200,000	0
05 -252	Economic Development	Business Development	Eliminates funding for the Good Manufacturing Practices (GMP) facility through the LA Gene Therapy Research Consortium, which is dedicated to providing new hope for people with serious inherited and acquired diseases by helping LA scientists discover successful cell and gene therapies. Consortium members are: LSU Health Sciences Center - New Orleans, LSU Health Sciences Center - Shreveport, and Tulane University Health Sciences Center.	-\$1,300,000	-\$1,300,000	0
05 -252	Economic Development	Business Development	SGF for 3 Wet Labs (Baton Rouge \$2,007,958, New Orleans \$266,640 and Shreveport \$379,608) that were cut by 50%. All wet labs are now funded through the LA Economic Development Fund, and provide space and reduced overhead for new businesses to develop products and eventually move into facilities of their own.	-\$2,654,206	-\$2,654,206	0
05 -252	Economic Development	Business Development	This reduction marks the elimination of Tier 2 of the Regional Award & Matching Grant Program (RAMGP) which refers to the Local Partner Activity awarded on competitive application basis. Tier 1 RAMGP grant funding is formula-driven for each participating regional economic development entity. Tier 1 was also reduced by \$300,000 and is funded at \$1,827,502 for FY 10 from the LA Economic Development Fund.	-\$1,822,498	-\$1,822,498	0
05 -252	Economic Development	Business Development	The agency was required to reduce funding for salaries for certain positions without a corresponding reduction in positions. Other sources of funding include \$43,900 in IAT, \$20,262 in SGR and \$13,508 in Statutory Dedications.	-\$260,025	-\$337,695	0
05 -252	Economic Development	Business Development	This adjustment eliminates the traditional component of the Workforce Development & Training Program. It has been replaced by the Fast Start initiative, which will provide targeted training for specific businesses as requested. This program was originally funded through the LA Economic Development Fund. The entertainment portion of Workforce Development and Training is still funded at \$1.5M, a reduction of \$500,000, also through the LED Fund.	\$0	-\$2,500,000	0

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
05 -252	Economic Development	Business Development	This adjustment is a reduction in the Loan Guarantee/Venture Capital Program that provides collateral in the form of Certificates of Deposit for specified projects from the LA Economic Development Fund. The remaining funding level is \$3,621,201. In past uses, this program provided 100% security of the state's guarantee of 75% of the approved project cost. It is possible that banks may allow 25% security so access to venture capital may not decrease by a like amount.	\$0	-\$7,532,407	0
05 -252	Economic Development	Business Development	This adjustment through the Supplemental Appropriation Bill (Act 122 of 2009) reduces SGF appropriations to the DeQuincy Downtown Development District (\$9,500) and the Vinton Downtown Development District (\$9,500). In addition, LA Immersive Technologies Enterprise (LITE) at ULL was appropriated \$500,000 less than the prior year. However, in the same legislation, the New Llano Downtown Development District was appropriated \$15,500 and the Iberia Economic Development Authority was appropriated \$135,000, which are both new appropriations. When considered together, these adjustments result in a net reduction of \$368,500.	-\$368,500	-\$368,500	0
<b>Major Reductions for Economic Development</b>				<b>-\$6,605,229</b>	<b>-\$36,985,182</b>	<b>0</b>
06 -261	Culture, Recreation & Tourism	Office of Secretary	Reduces funding for New Orleans City Park, leaving approximately \$1M. Provided funding was for the basic operations of the park complex, unemployment insurance, increased costs of utilities, Office of Risk Management unpaid balances from prior years and recovery and rebuilding activities. Appropriations Bill provided funding in the amount of \$300,000 for operations.	-\$2,237,801	-\$2,237,801	0
06 -262	Culture, Recreation & Tourism	State Library	Reduction of funds for routine upgrades of workstations, servers, computers, laptops, printers, and software for the staff and the public.	-\$133,418	-\$133,418	0
06 -262	Culture, Recreation & Tourism	State Library	Act 10 (General Appropriation Bill) reduced pass through funding by 50% for the LA Resources Center for Educators to \$297,600. Act 122 (Supplemental Appropriation Bill) added \$85,200, bringing total funding to \$382,800.	-\$212,400	-\$212,400	0
06 -262	Culture, Recreation & Tourism	State Library	Elimination of 7 positions, along with associated funding for salaries and related benefits.	-\$337,606	-\$337,606	-7
06 -263	Culture, Recreation & Tourism	State Museum	Non-recurring Statutory Dedicated funding from the Overcollections Fund for special legislative projects - Civil Rights Museum (\$104,500); Patterson Cypress Museum (\$9,500). This reduction eliminates funding for the Patterson Cypress Museum. The only funding associated with the Civil Rights Museum that is provided is \$92,343 for the Director's position.	\$0	-\$114,000	0
06 -263	Culture, Recreation & Tourism	State Museum	Elimination of 8 job appointment curator positions within the Exhibit & Collections Division and reductions in supplies, professional services, and other charges.	-\$436,139	-\$436,139	0
06 -263	Culture, Recreation & Tourism	State Museum	Elimination of 8 vacant positions, along with associated funding (\$468,338 SGF and \$15,227 SGR) for salaries and related benefits. These positions include an Administrative Coordinator position that schedules and coordinates tours and school groups at the State Museum's New Orleans properties and 7 positions filled by probationary and job appointments.	\$468,338	\$483,565	-8
06 -264	Culture, Recreation & Tourism	State Parks	Non-recurring Statutory Dedicated funding from the Overcollections Fund for special legislative projects - city of Logansport for walking trail (\$42,750); town of Logansport for walking trail in Riverfront Park (\$9,500); town of Port Barre for the Veteran's Memorial Park and construction and improvements (\$9,500); and St. Charles Parish for the Wetlands Watchers Park in Norco (\$190,000).	\$0	-\$251,750	0

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
06 -265	Culture, Recreation & Tourism	Cultural Development	Non-recurring Statutory Dedicated funding from the Overcollections Fund for special legislative projects - Cultural Development for city of Natchitoches (\$47,500); town of Mamou for the Plaza de Cajun (\$9,500); city of Ruston for Main Street Program (\$47,500); city of Jeanerette for Main Street (\$9,500), town of Dubach for Main Street (\$23,750); city of Mamou for Mardi Gras Plaza de Mamou (\$66,500); River Road Historical Society for repairs to historic structures (\$47,500); village of Grand Cane for downtown development (\$33,250); village of Longstreet for renovation for handicapped accessibility to Longstreet Town Hall (\$4,750); Bayou Vermilion District (\$95,000); Tipitina's Foundation to support LA's music community (\$389,500); and city of Westwego for Sala Avenue (\$47,500).	\$0	-\$821,750	0
06 -265	Culture, Recreation & Tourism	Cultural Development	Eliminates of 3 positions performing duties relative to the Council for the Development of French in LA (CODOFIL) and eliminates foreign scholarships awarded. Reduction of \$25,000 for marketing funding for CODOFIL. CODOFIL's activities are to offer LA's citizens, whether they be of French ancestry or not, the opportunity either to learn French or to enhance and utilize the French they already know; and to explore, understand and support Cajun, Creole and Francophone heritage in LA for the cultural, economic and touristic benefit of all its citizens. Approximately \$256,000 remains for CODOFIL after this reduction.	-\$131,246	-\$131,246	-3
06 -265	Culture, Recreation & Tourism	Cultural Development	Eliminates all funding for Percent for the Arts Program including a position. This program's mission is to enhance state buildings through public art.	-\$229,907	-\$229,907	-1
06 -265	Culture, Recreation & Tourism	Cultural Development	Reduction in funding for Artists Fellowships, leaving \$19,246. This reduction also eliminates a position.	-\$127,864	-\$127,864	-1
06 -265	Culture, Recreation & Tourism	Cultural Development	Elimination of a position in the Division of the Arts.	-\$57,516	-\$57,516	-1
06 -267	Culture, Recreation & Tourism	Tourism	Non-recurring Statutory Dedicated funding from the Overcollections Fund for special legislative projects - Franklin Parish (\$23,750); Bayou Classic (\$95,000); Congres Mondial Acadien conference (\$47,500); Longstreet (\$4,750); New Orleans Convention & Visitors Bureau (\$712,500); and Byerly House Visitors & Community Center in Lake Providence (\$13,718).	\$0	-\$897,218	0
<b>Major Reductions for Culture, Recreation &amp; Tourism</b>				<b>-\$3,435,559</b>	<b>-\$5,505,050</b>	<b>-21</b>
07 -	Transportation & Development	Department Wide	The FY 10 budget for DOTD includes a total reduction in personnel of 132 positions. Of this 132 position reduction, 101 were frozen as part of the Deficit Reduction Plan and are eliminated in the FY 10 budget. An additional 31 are being eliminated for a total reduction of 132. This reduction will bring the total T.O. for DOTD from 4,836 to 4,704. DOTD had a total of 186 vacancies as of 4/22/09. Therefore, of the 132 positions eliminated, 101 were vacant positions. The 6-year historical vacancy rate for DOTD is 214 positions. DOTD has reduced its T.O. from 5,606 in FY 00 to 4,704 in FY 10. The following is a breakdown by Schedule #: 07-273 Administration - \$701,402 and 12 positions; 07-275 Public Works & Intermodal Transportation - \$376,316 and 5 positions; and 07-276 Engineering - \$9,210,837 and 115 positions.	\$0	-\$10,288,555	-132
07 -273	Transportation & Development	Administration	Non-recurring Statutory Dedications funding for special legislative project - Zachary Taylor Parkway Commission. The means of financing impacted is the Overcollections Fund.	\$0	-\$47,500	0
07 -275	Transportation & Development	Public Works & Interm. Transp.	Non-recurring special legislative project in Water Resources & Intermodal Program for St. Charles Parish for drainage improvements in the community of Montz. The means of financing impacted is the Overcollections Fund.	\$0	-\$190,000	0
07 -275	Transportation & Development	Public Works & Interm. Transp.	Non-recurring special legislative project in the town of Simpson (water system). The means of financing impacted is the Overcollections Fund.	\$0	-\$47,500	0

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07 -275	Transportation & Development	Public Works & Intern. Transp.	Non-recurring special legislative project for the Vernon Parish Police Jury for the West LA Water System. The means of financing impacted is the Overcollections Fund.	\$0	-\$47,500	0
07 -275	Transportation & Development	Public Works & Intern. Transp.	Non-recurring special legislative project in the Water Resources & Intermodal Program for the 19th LA Levee District for construction of a storage building. The means of financing impacted is the Overcollections Fund.	\$0	-\$71,250	0
07 -275	Transportation & Development	Public Works & Intern. Transp.	Non-recurring special legislative project in the Aviation program for T-hangers at the Tallulah-Vicksburg Regional Airport. The means of financing impacted is the Overcollections Fund.	\$0	-\$34,295	0
07 -276	Transportation & Development	Engineering	Non-recurring special legislative project in Bossier Parish for a traffic congestion relief project on LA Hwy. 511. The means of financing impacted is the Overcollections Fund.	\$0	-\$95,000	0
07 -276	Transportation & Development	Engineering	Non-recurring special legislative project in city of Thibodaux for planning and engineering for Tiger Drive Bridge. The means of financing impacted is the Overcollections Fund.	\$0	-\$237,500	0
07 -276	Transportation & Development	Engineering	Non-recurring special legislative project in EBR for improvements to Coursey Blvd. between Airline Hwy. and Jones Creek Road. The means of financing impacted is the Overcollections Fund.	\$0	-\$380,000	0
07 -276	Transportation & Development	Engineering	Non-recurring special legislative project in EBR for improvements to the Florida Blvd. and Sherwood Forest Blvd. intersection. The means of financing impacted is the Overcollections Fund.	\$0	-\$95,000	0
07 -276	Transportation & Development	Engineering	Non-recurring special legislative project in EBR for improvements to the Jones Creek Road and Coursey Blvd. intersection. The means of financing impacted is the Overcollections Fund.	\$0	-\$95,000	0
07 -276	Transportation & Development	Engineering	Reduction of funding for special legislative project-El Camino Real East/West Corridor Commission. The means of financing impacted is the Overcollections Fund.	-\$68,375	-\$68,375	0
07 -276	Transportation & Development	Engineering	Non-recurring special legislative project in St. Charles Parish for repairs to the Spillway Road in the Bonnet Carre Spillway. The means of financing impacted is the Overcollections Fund.	\$0	-\$237,500	0
07 -276	Transportation & Development	Engineering	Non-recurring special legislative project in St. John Parish for planning and engineering for the Woodland Road Extension. The means of financing impacted is the Overcollections Fund.	\$0	-\$285,000	0
07 -276	Transportation & Development	Engineering	Non-recurring special legislative project for improvements on LA Hwy. 384 (Big Lake Road). The means of financing impacted is the Overcollections Fund.	\$0	-\$361,000	0
07 -276	Transportation & Development	Engineering	Adjustment reduces professional services to projected needs for FY 10. Excess budget authority (TTF-Regular) for the 2 previous fiscal years is as follows: FY 07 - \$255,690 and FY 08 - \$481,625.	\$0	-\$338,572	0
07 -276	Transportation & Development	Engineering	SGR reduction in other charges based on 4-year actuals for CCCD Bridge. Excess budget authority for the 4-year period is as follows:  FY 05 - \$184,137 FY 06 - \$906,021 FY 07 - \$303,134 FY 08 - \$1,759,919	\$0	-\$1,256,315	0
07 -276	Transportation & Development	Engineering	Reduction in other charges based on 4-year actuals for District Operations Program. The means of financing impacted is the Transportation Trust Fund.	\$0	-\$237,500	0

### Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

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07 -276	Transportation & Development	Engineering	Reduces funding (\$8,074,411 SGR and \$325,000 Federal) to the Crescent City Connection Division Bridge Trust Program to reflect anticipated toll revenues for FY 10 and reduces a federal grant award to the Marine Trust Program. The reduction to the Bridge Trust Program reflects elimination of excess budget authority and elimination of payments for bridge insurance.	\$0	-\$8,399,411	0
<b>Major Reductions for Transportation &amp; Development</b>				<b>-\$68,375</b>	<b>-\$22,812,773</b>	<b>-132</b>
08A-414	Corrections	David Wade Correctional Center	\$7,501,901 in funding was originally reduced in FY 10 due to the closure and sale of the Steve Hoyle Rehabilitation Center to a private party. The Appropriations Bill restored \$2M in funding for the Steve Hoyle Rehabilitation Center for approximately 2 months of operating services. The facility will be transitioned into a facility to house state inmates within the Local Housing of State Adult Offenders Program. The Department of Public Safety & Corrections is planning to enter into an agreement with the sheriff to provide reentry services for female offenders at the Steve Hoyle Rehabilitation Center in Tallulah, LA.	-\$5,450,900	-\$5,501,901	0
<b>Major Reductions for Corrections</b>				<b>-\$5,450,900</b>	<b>-\$5,501,901</b>	<b>0</b>
08B-418	Public Safety	Management & Finance	Adjustment represents a reduction of \$0.6M SGR and 9 positions. The positions to be reduced are vacant positions. There are currently 11 vacant positions within the Office of Management & Finance. The specific titles of those vacancies are: Administrative Coordinator 3, Contracts/Grants Reviewer 2, Contracts/Grants Reviewer 3, Contracts/Grants Reviewer Supervisor, Human Resources Analyst, IT Production Control Tech 2, IT Tech Support Consultant, IT Tech Support Manager, and Management Intern.	\$0	-\$612,392	-9
08B-418	Public Safety	Management & Finance	Reduction represents a decrease of SGR and 15 other compensation positions. The majority of these positions are student workers and temporary employees not paid from the regular salaries expenditure category. The total savings of \$736,813 is broken down as follows: Salary - \$672,470; Retirement - \$22,374; FICA - \$12,315; Medicare - \$9,750; Medical Insurance - \$19,430; and Life Insurance - \$474.  Examples of other compensation positions include: student workers, restricted appointments and job appointments. Job appointments have related benefits and retirement associated with the positions, while student workers and restricted appointments do not. The specific titled other compensation positions to be reduced and the number of those positions within this agency are: Police Officer 2-A, Administrative Assistant 4, Maintenance Foreman, IT Management Consultant, 2 Administrative Coordinator 2, Administrative Coordinator 4, Accountant, Contracts/Grants Reviewer 1, and 5 student workers.	\$0	-\$736,813	0
08B-418	Public Safety	Management & Finance	Reduces \$10,000 SGR and \$218,763 Statutory Dedications - Overcollections Fund for acquisitions, which represents a complete reduction of all acquisitions for FY 10. Act 10 of 2009 includes no acquisitions budgeted. The 3-year historical actual expenditure average for acquisition expenditures is \$0.5M. The 3 years utilized in calculating the historical acquisitions expenditures are: FY 08, FY 07, and FY 06.	\$0	-\$228,763	0
08B-419	Public Safety	State Police	Adjustment represents a reduction of \$1.8M total funding (\$1,668,837 SGF, \$82,169 SGR, \$71,961 Statutory Dedications from the Tobacco Health Fund) and 27 positions. The 27 positions to be reduced are vacant positions. <u>These position reductions will not impact state trooper ranks. There are currently 1,153 state trooper positions with approximately 706 assigned to road patrol.</u> State Police currently has approximately 55 vacant positions. The current positions vacant within State Police are: Administrative Program Specialist 2, Administrative Supervisor 2, 2 Auditor 3, 4 Communications Officer 1, 4 Communications Officer 2, 2 Crime Lab Analyst 2, Crime Lab Manager, Criminal Records Analyst 4, Executive Staff Officer, IT Applications Prog./Analyst 2, IT Tech Support Specialist 1, Mobile Equipment Master, Police Service A, Procurement Specialist 2, State Police Cadet, State Police Captain, State Police Major, 9 State Police Master Trooper, 5 State Police Sergeant, 6 State Police Trooper, and 10 various other vacant positions.	-\$1,668,837	-\$1,822,967	-27

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08B-419	Public Safety	State Police	Non-recurring one-time funding provided to State Police for state trooper expenditures associated with the NCSL conference held in New Orleans, LA in July 2008. The specific dates of the conference were July 21-26, 2008.	-\$81,331	-\$81,331	0
08B-419	Public Safety	State Police	Adjustment represents a decrease in one-time funding from the manpower allocation appropriated during the <u>FY 08 budget development process</u> . These expenditures were budgeted for rent payments to the training academy. During the FY 09 budget development process, an additional \$669,163 was added that was not necessary because that funding was already included in FY 08 existing operating budget. This reduction should have been included within the FY 09 budget. Included within the FY 08 budget was an appropriation in the amount of \$6,000,323 and 50 additional state trooper positions and \$669,163 was not non-recurred during the FY 09 budget development process and now being reduced in FY 10.	-\$669,163	-\$669,163	0
08B-419	Public Safety	State Police	Adjustment represents a decrease in one-time funding for manpower allocation appropriated during the <u>FY 09 budget development process</u> . These expenditures were budgeted for rent payments to the training academy. Included within the FY 09 budget was an appropriation in the amount of \$6,560,454 and 50 additional state trooper positions and \$669,163 in one-time funding, not counting acquisitions, associated with the \$6.6M and 50 positions appropriation from FY 09.	\$0	-\$669,163	0
08B-419	Public Safety	State Police	Adjustment represents a reduction of \$1.6M total funding (\$830,000 SGR, \$770,000 Statutory Dedications from the Riverboat Gaming Enforcement Fund) for FY 10 overtime. The programmatic breakdown of this reduction is: (\$830,000) - Traffic Enforcement and (\$770,000) - Gaming Enforcement. Based upon FY 09 current overtime budget authority within these programs, the total amount of overtime for FY 10 will be \$6.5M (Traffic - \$6,204,768 and Gaming - \$286,395). In Act 10 of 2009, the recommended amount for salaries is \$96M of which approximately \$9.1M will be budgeted for overtime in FY 10.  The FY 08 actual overtime expenditures for State Police was \$12,959,296 and the projected FY 09 actual expenditures could be approximately \$14M. According to FY 09 overtime reports, State Police overtime is funded from the following sources/programs: Local Area Compensated Enforcement (LACE), Crash Reduction Grant, DWI Grant, Motor Carrier Safety Assistance Program (MCSAP), High Intensity Drug Trafficking Areas Grants (HIDTA), Seized Narcotics Grant, LA Commission on Law Enforcement Apprehension Grant (LCLE), Escorts, DEQ Grants, Accident Reconstruction, Operation Lifesaver Grant, and Marijuana Eradication Grant.  The FY 10 programmatic breakdown of budgeted overtime is: Traffic - \$6,204,768; Criminal - \$1,794,724; Operational - \$794,492; Gaming - \$286,395; and Auxiliary - \$25,000.	\$0	-\$1,600,000	0
08B-419	Public Safety	State Police	Adjustment represents a decrease of \$115,627 SGF, \$70,185 IAT, \$245,389 SGR, and \$565,288 Statutory Dedications for the reduction of 31 other compensation positions. The majority of these positions are student workers and temporary employees not paid from the regular salaries expenditure category. The total savings of \$996,489 is broken down as follows: salary - \$863,612; retirement - \$61,280; FICA - \$11,187; Medicare - \$12,848; medical insurance - \$47,124; and life insurance - \$438.  The programmatic breakdown of this total reduction by amount and positions is as follows: Traffic - (6), (\$111,416); Criminal - (2), (\$77,232); Operational - (20), (\$701,037); and Gaming - (3), (\$106,804).  Examples of other compensation positions include: student workers, restricted appointments and job appointments. Job appointments have related benefits and retirement associated with the positions, while student workers and restricted appointments do not. Some of those other compensation positions are: Administrative Coordinators, student workers and Investigators.	-\$115,627	-\$996,489	0
08B-419	Public Safety	State Police	Adjustment represents reducing one-time moving expenditures associated with the State Police Crime Lab. These funds were originally appropriated during the FY 09 budget development process from the Overcollections Fund in the amount of \$1,814,387 for equipment for a new facility, phone system and moving expenses. The State Police Crime Lab expanded by 18,000 sq. ft.	\$0	-\$88,900	0

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<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
08B-419	Public Safety	State Police	Reduces State Police training budget authority in the amount of \$278,106 Statutory Dedications from the Overcollections Fund. An additional \$1M was appropriated for State Police training expenditures as part of the Colonel's plan to have all State Police training expenditures in State Police's operating budget as opposed to those specific expenditures being expended within the Ancillary budget unit (21-790 - State Police Training Academy). Within Act 10 of 2009, there is approximately \$2M for training expenditures.	\$0	-\$278,106	0
08B-419	Public Safety	State Police	Reduces the amount of LEAF payments for the helicopters purchased in FY 04 and LEAF payment reductions for vehicles purchased in previous fiscal years.  <u>Helicopters</u> - The total cost of the 2 helicopters purchased in FY 04 was approximately \$4.6M. The department financed these helicopters through the DOA LEAF Program for 5 years. For the past 4 fiscal years, the annual payment has been approximately \$1.9M per year. Due to the amount needed in FY 10 being only \$0.9M, excess expenditure authority in the amount of \$1M from the Riverboat Gaming Enforcement Fund has been reduced in FY 10.  <u>Vehicles</u> - FY 09 budget authority for LEAF payments for vehicle purchases is approximately \$8.1M to pay for vehicles purchased in FY 07, FY 08 and FY 09. The replacement vehicles purchased through financing by fiscal year are as follows: FY 07 - 420, FY 08 - 482, and FY 09 - 148. The amount of LEAF payments needed in FY 10 is approximately \$320,000 less than what was budgeted in FY 09. This reduction is to the Riverboat Gaming Enforcement Fund.	\$0	-\$1,320,000	0
08B-419	Public Safety	State Police	Non-recurring one-time Statutory Dedicated funding from the Overcollections Fund (December JLCB approved BA-7) within State Police's Operational Support Program for the Jefferson Davis Investigative Team. State Police and the Jefferson Davis Parish Sheriff's Office entered into a cooperative endeavor agreement as these monies were passed-through State Police to the locals. The creation of the team was associated with the 7 dead bodies found in the rural parts of Jefferson Davis Parish in the last 3 years. The \$250,000 was expended on the following items: overtime - \$162,000; Lexis-Nexis/Account Subscription - \$12,000; Wireless Mesh Network for cameras - \$25,000; building lease - \$7,800 (call center); Xerox/Fax Lease - \$2,700; Microsoft licenses - \$23,100; telephone (Land, Cell, Internet) - \$6,600; utilities - \$4,500; and office supplies (furniture lease) - \$6,300.	\$0	-\$250,000	0
08B-419	Public Safety	State Police	Non-recurring funding from a one-time U.S. Department of Justice, Community Oriented Policing Services (COPS) grant. During the FY 09 budget development process, \$1,499,973 was appropriated from the Overcollections Fund and \$4,499,919 in Federal Funds. The \$1.5M funded from the Overcollections Fund was the state match required for this grant. This grant, awarded to State Police in September 2007, provided for the purchase and installation of communications equipment for the 700 MHz statewide interoperable communication system. Included within the American Recovery & Reinvestment Act is an additional \$1B for the COPS grant program, which will be awarded on a competitive basis. The state match of the additional \$1B will remain at 25%.	\$0	-\$5,999,892	0
08B-419	Public Safety	State Police	Adjustment represents the amount of acquisitions and major repairs reduced from State Police's budget (\$441,800 SGF, \$470,450 IAT, \$530,528 SGR, and \$10,940,155 Statutory Dedications). The majority of these reductions occurred as a result of the DOA's policy of non-recurring carryforward BA-7s and non-recurring acquisitions as they are considered one-time expenditures. The total amount of acquisitions added for FY 10 is \$1,544,611 (\$609,261 SGR and \$935,350 Riverboat Gaming Enforcement Fund). Thus, the aggregate amount of acquisitions currently recommended for FY 10 is \$822,717. The 3-year average actual acquisitions expenditure equates to approximately \$6.2M and for FY 10 State Police has approximately \$5.4M less than the 3-year historical average of actual acquisitions expenditures, or \$822,717. <u>However, approximately 30% of the \$12.4M acquisitions reduction, or \$3.7M, is from the 50-man cadet class appropriated during FY 09 budget development process.</u> The majority of acquisition purchases made in State Police's budget involve the additional 50 State Trooper positions (cars, equipment, etc.). FY 10 does not include an additional 50-man cadet class.	-\$441,800	-\$12,382,933	0

**Major Reductions in the FY 10 Budget Compared to the FY 09 Budget**

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
08B-420	Public Safety	Motor Vehicles	Adjustment represents a reduction of \$0.5 M SGR and 9 positions. The 9 positions to be reduced are vacant positions. OMV currently has approximately 18 vacant positions. Those positions are: Compliance Program Specialist 3, IT Application Program Analyst 2, 4 Motor Vehicle Compliance Analyst 2, 6 Motor Vehicle Compliance Analyst 3, 2 Motor Vehicle Compliance Supervisor 1, Motor Vehicle District Manager/Field, 2 Motor Vehicle Manager 1, and Motor Vehicle Office Manager 1.	\$0	-\$470,224	-9
08B-420	Public Safety	Motor Vehicles	Adjustment represents a decrease of 28 other compensation positions and \$600,312 SGR. The majority of these positions are student workers and temporary employees not paid from the regular salaries expenditure category. The total savings of \$600,312 is broken down as follows: salary - \$489,382; retirement - \$44,126; FICA - \$11,979; Medicare - \$7,096; medical insurance - \$47,153; and life insurance - \$576.  Examples of other compensation positions include: student workers, restricted appointments and job appointments. Job appointments have related benefits and retirement associated with the positions, while student workers and restricted appointments do not. OMV's specific other compensation positions reduced and the total number of those positions to be reduced include: Student Workers, 12 Custodial Workers, 6 Motor Vehicle Compliance Analyst 1, 3 Motor Vehicle Compliance Analyst 2, 5 Motor Vehicle Compliance Analyst 3, and Analyst.	\$0	-\$600,312	0
08B-422	Public Safety	State Fire Marshal	Adjustment represents a reduction of the following local fire departments/district funded in FY 09: Caddo Fire District 9 - (\$35,000); Caddo Fire District 4 - (\$35,000); Desoto Fire District 9 - (\$55,138); Mansfield Fire Department - (\$12,500); and Stonewall Fire District - (\$12,500). The Desoto Fire District 9 was originally appropriated \$100,000 in FY 09. However, the FY 09 Deficit Reduction Plan reduced the amount of the appropriation by \$44,862. These projects are appropriated within the Overcollections Fund.	\$0	-\$150,138	0
08B-422	Public Safety	State Fire Marshal	Reduction represents a decrease of 3 other compensation positions and \$149,700 SGR. The majority of these positions are student workers and temporary employees not paid from the regular salaries expenditure category. The total savings of \$149,700 is broken down as follows: salary - \$132,362; retirement - \$3,954; FICA - \$6,774; Medicare - \$1,894; and insurance - \$4,716.  Examples of other compensation positions include: student workers, restricted appointments and job appointments. Job appointments have related benefits and retirement associated with the positions, while student workers and restricted appointments do not. Fire Marshal's specific other compensation positions reduced include: Administrative Coordinator 3, Manufactured Housing Invest 1, and student worker.	\$0	-\$149,700	0
08B-422	Public Safety	State Fire Marshal	Adjustment represents a reduction of \$0.3M in total funding (\$206,061 SGR, \$74,618 LA Fire Marshal Fund) and 4 positions. The 4 positions to be reduced are vacant positions. The State Fire Marshal currently has 11 vacant positions. Those positions are: Administrative Assistant 4, 4 Architect 3, Deputy State Fire Marshal/F & S, Deputy State Fire Marshal 1 Mechanical, 2 Deputy State Fire Marshal 2 Mechanical, Deputy State Fire Marshal 4 Mechanical, and Executive Director.	\$0	-\$280,679	-4
08B-425	Public Safety	LA Highway Safety Commission	Adjustment represents a reduction of \$63,965 in total funding and a position (\$31,983 - SGR, \$31,982 - Federal). The position to be reduced is vacant. There are currently 2 vacant positions. Those positions are: Administrative Program Specialist B, and IT Applications Program/Analyst 3DCL.	\$0	-\$63,965	-1
08B-425	Public Safety	LA Highway Safety Commission	Reduction represents a reduction of \$13,269 in Federal funds and an other compensation position. The total savings of \$13,269 is broken down as follows: Salary - \$13,079; and Medicare - \$190.  Examples of other compensation positions include: student workers, restricted appointments and job appointments. Job appointments have related benefits and retirement associated with the positions, while student workers and restricted appointments do not. The specific other compensation position reduced within the Highway Safety Commission is a Statistical Clerk.	\$0	-\$13,269	0
<b>Major Reductions for Public Safety</b>				<b>-\$2,976,758</b>	<b>-\$29,465,199</b>	<b>-50</b>

### Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
08 -403	Youth Services	Juvenile Justice	Contract Services - Reduction in funding for Mentor Tracker activities. This reduction will leave \$500,000 in the FY 10 budget for these services. Mentor Tracker services provide support to youth through monitoring and tracking of the youth's activities. According to OJJ, approximately 1,500 youth were served this past year. The remaining funding will be prioritized to target the high-need, high-risk youth. Increases in Probation and Parole (Field Services) will monitor these youth. 34 positions that were transferred from Jetson Center for Youth to Field Services will help to provide this service.	-\$4,077,642	-\$4,077,642	0
08 -403	Youth Services	Juvenile Justice	Contract Services - Reduction in funding related to psychological evaluations (\$850,000) and counseling (\$850,000) of youth offenders. These services are mandated services (ordered by judges) for youth placed in nonsecure residential care. According to OJJ, approximately 625 youth were served this past year. OJJ plans to offset this cut by restricting evaluations to only those required for placement, supplementing funding from Field Services and partnering with DHH to expand Medicaid coverage to provide for the costs of the needed evaluations.	-\$1,700,000	-\$1,700,000	0
08 -403	Youth Services	Juvenile Justice	Contract Services - Reduction in funding for Day Treatment activities. This funding provides for nonresidential supervision, truancy and education programs. This is an annualization of FY 09 midyear cuts to streamline the Day Treatment programs. Several contracts were underutilized (number of slots were not filled or even being used); therefore, there is little to no impact on services. OJJ plans to continue this program with funding from other underutilized contracts.	-\$1,855,042	-\$1,855,042	0
08 -403	Youth Services	Juvenile Justice	Contract Services - Reduction in funding related to the LSU HSC contract that serves youth in New Orleans and Shreveport. This contract provides medical and dental services to youth in secure care. This reduction was due to the decrease in the number of juveniles in secure care and therefore the need for the services.	-\$570,000	-\$570,000	0
08 -403	Youth Services	Juvenile Justice	Contract Services - Reduction in funding for Prevention and Diversion programs for non Office of Juvenile Justice youth. This reduction will eliminate these non-mandated programs. These programs help youth stay out of the OJJ system and target at-risk youth. District Attorney Diversion programs, specialized court programs and non-profit community-based programs are examples of Prevention and Diversion programs. According to OJJ, 11,224 youth received prevention and diversion services this past year. These programs may be funded through grants and the LA Commission on Law Enforcement.	-\$5,140,446	-\$5,140,446	0
08 -403	Youth Services	Juvenile Justice	Amendment to authorize and direct the commissioner of administration to adjust the means of financing by reducing the appropriation out of SGF for salaries by \$200,000.	-\$200,000	-\$200,000	0
<b>Major Reductions for Youth Services</b>				<b>-\$13,543,130</b>	<b>-\$13,543,130</b>	<b>0</b>

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
09 -300	Health & Hospitals	Jefferson Parish Human Services Authority	Non-recurring Statutory Dedicated funding for the School Therapeutic Enhancement Program (STEP) from the Overcollections Fund. STEP is a school-based mental health program that provides cognitive behavioral therapy to youth with depression, anxiety, posttraumatic stress disorder, attention deficit hyperactivity disorder, and disruptive behavior disorder. This budget reduction will require JPHSA to eliminate 8 vacant clinical social worker positions that provided school-based services under STEP. JPHSA will serve an estimated 400 fewer students who will not receive school-based services due to this reduction. Based on this proposed reduction \$1,222,091 SGF remains in JPHSA budget in FY 10 for STEP.	\$0	-\$525,000	0
09 -300	Health & Hospitals	Jefferson Parish Human Services Authority	Reduction in contractual services for behavioral health and developmental disabilities services. The Jefferson Parish Human Services Authority (JPHSA) will reduce or eliminate the following contracts and corresponding amounts in FY 10: Transitional Care Center (\$474,678), Crisis Respite Facility (\$250,000), Intensive Case Management Services (\$101,435), Developmental Disabilities Cash Subsidy Program (\$154,800), DD Contract Services (\$146,968), Developmental Disabilities Psychological Services (\$70,000), Social & Life Skills Training Group (\$12,000), Self-Directed Supported Living Services (\$27,000), Developmental Disabilities Supported Living Services (\$41,000), Dialectical Behavior Therapy (\$198,328), Intensive In-home Services for Younger Children & Adolescents (\$208,831), Desktop Support (\$15,210), and Peer Specialist (\$11,250). JPHSA will serve an estimated 731 fewer clients based on the proposed contract service reductions.	\$1,711,500	\$1,711,500	0
09 -300	Health & Hospitals	Jefferson Parish Human Services Authority	Reduction in travel (\$3,000), operating services (\$26,537), supplies (\$3,000), and pharmaceuticals (\$199,839). To achieve these savings JPHSA's pharmacy will reduce the type and quantity of medications provided to clients. Lexapro and Cymbalta (antidepressants) will be removed from the formulary (eliminates prescriptions for 300 clients). Neurontin, Topomax and Depakote ER (mood stabilizers) will be reduced or removed from the formulary and will reduce or eliminate prescriptions for 150 clients. JPHSA will require an indication of Bipolar Disorder, Schizophrenia, or Schizoaffective Disorder for Seroquel and Abilify, which are antipsychotic medications (eliminates prescriptions for 700 clients). This will not narrow the eligibility of clients but it will narrow the treatment options available to these individuals.	-\$232,376	-\$232,376	0
09 -300	Health & Hospitals	Jefferson Parish Human Services Authority	Reduction in funding associated with 9 support personnel positions in the Other Charges. These positions include the following: 8 administrative coordinators and one information technology position. These staff work in JPHSA clinics answering phone calls, registering clients, scheduling appointments, managing clinical records, data input, and other general administrative duties. This staffing reduction will likely result in professional clinical staff doing more clerical and administrative functions reducing their time for direct patient care. There is no way to estimate in advance how many hours clinical staff might spend on such clerical functions due to this reduction in administrative staff. Loss of the Information Technology Office Staff Assistant will delay JPHSA's efforts to implement an electronic health record. Lack of this staff person during JPHSA's transition to an electronic health record will likely increase periods where staff computer services are not available, negatively affecting client care.	-\$265,830	-\$265,830	0
09 -300	Health & Hospitals	Jefferson Parish Human Services Authority	Reduction in funding associated with 7 Direct Service positions in Other Charges. These positions include the following: 2 registered nurses, 4 social workers, and an OCDD support coordinator. JPHSA estimates approximately 3,655 clients will not receive services due to these direct staffing reductions.	-\$474,995	-\$474,995	0
09 -301	Health & Hospitals	Florida Parishes Human Services Authority	Reduces the following non-Medicaid developmental disability services and individual and family support services: dental care, medical care, respite care, recreation, home health services, equipment, supplies, counseling, communication services, crisis intervention, specialized diagnostics and evaluations, nutrition training, clothing, and parent education. FPHSA will serve 50 fewer clients based on this proposed reduction.	-\$200,000	-\$200,000	0

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
09 -301	Health & Hospitals	Florida Parishes Human Services Authority	Reduction in funding for the following behavior health and developmental disabilities services contracts and amounts: Bogalusa and Lallie Kemp ER holding beds—primarily adult services (\$35,078), Gulf Coast Teaching Family Services respite services for children and adolescents (\$10,000), New Horizons Youth Service respite services for children and adolescents (\$10,000), New Horizons Youth Service in home crisis intervention services for children and adolescents (\$87,227), Southeast LA Area Health Education Center family transportation vouchers (\$7,600), and OPTIONS Foundation Group Home beds (\$105,000). FPHSA will serve 134 fewer clients/families and eliminate 12 children/adolescent respite beds used to avert in-patient hospitalization and 5 adult supervised mental health residential beds based on this proposed reduction.	-\$254,905	-\$254,905	0
09 -301	Health & Hospitals	Florida Parishes Human Services Authority	Reduction in funding associated with the following 20 vacant FTE positions: 10 Social Workers, 3 Counselors, 2.5 FTE Physicians, 2 OCDD Community Service Specialists, 0.5 Coordinator, Administrative Assistant, and Administrative Program Specialist. FPHSA estimates that 2,245 fewer clients will receive services in FY 10 based on this proposed reduction.	-\$863,253	-\$1,080,511	0
09 -302	Health & Hospitals	Capital Area Human Services District	Includes the following reductions for CAHSD: operating services for staff development (\$15,000); developmental disabilities social services contracts (\$274,471); addictive disorders treatment services contracts (\$506,875); and mental health treatment services contracts (\$703,654). The reduction of \$274,471 in developmental disabilities social services contracts eliminates the following services: cash subsidies for 19 individuals (\$59,074), supported independent living for two individuals (\$28,000), and family support crisis services for 59 fewer individuals (\$187,397). The reduction of \$506,875 in addictive disorders treatment services contracts mentioned above eliminates the following services: 11 co-occurring halfway house beds for residential addition treatment/recovery services for 44 individuals (\$185,875), adult outpatient treatment services for 168 fewer individuals (\$100,000), adolescent alcohol/drug prevention services for 120 individuals (\$72,000), and adolescent outpatient treatment services for 100 individuals (\$149,000). The reduction of \$703,654 in mental health treatment services contracts mentioned above eliminates the following services: 16 halfway house beds for residential treatment services for 64 individuals (\$263,654), crisis respite/case management services for 132 fewer individuals (\$100,000), community support services for 222 fewer individuals (\$300,000), and family support/cash subsidies for 12 individuals (\$40,000).	-\$1,500,000	-\$1,500,000	0
09 -303	Health & Hospitals	Developmental Disabilities Council	Reduces funding for contracts in 9 regional Families Helping Families resource centers and the Federation of Families of Children with Mental Illness. This reduction will result in approximately 7,000 to 7,500 people not receiving information about referral services, participating in training and educational activities, or having peer-to-peer support.	-\$73,115	-\$73,115	0
09 -303	Health & Hospitals	Developmental Disabilities Council	Reduces funding to align with federal revenue projections.	\$0	-\$98,167	0
09 -304	Health & Hospitals	Metropolitan Human Services District	Reductions in the following social services contracts: \$126,754 for BECCI to provide case management for 50 persons; \$75,000 for Voyage House for case management services for 40 persons; \$20,000 for Beautiful Foundation for an education program serving 45 youths; \$245,000 for a 50% reduction in beds from 14 to 7; \$241,427 for Nami reducing community programs for mentally ill persons from 135 persons to 100 persons; \$145,000 for Life Changers eliminating educational services to 20 at risk youths; \$121,000 for Crescent House Domestic Violence eliminating safe house services for 30 persons; \$110,000 for Orleans Parish Juvenile Court Youth Drug Court; and \$72,000 to Grace Outreach to serve 32 fewer clients per year.	-\$1,156,181	-\$1,156,181	0
09 -304	Health & Hospitals	Metropolitan Human Services District	Decreased rental costs for office space in the Poydras Center in downtown New Orleans. Metropolitan will move these administrative functions to other areas saving an estimated \$150,000 in FY 10.	-\$150,000	-\$150,000	0

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>								
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Personnel reductions in Medical Vendor Administration (MVA). Information received from the DHH indicates that MVA currently has 44 vacancies (as of March), and the reduction of 27 positions is not anticipated to result in any layoffs. The reductions are associated with the Medicaid eligibility function, and include the following job titles: administrative coordinators, program manager and monitors, analyst, and RN program coordinators.</p> <p><b>FY 10 Executive Budget</b></p> <table style="margin-left: 20px;"> <tr> <td>T.O. Base</td> <td style="text-align: right;">1,249</td> </tr> <tr> <td>T.O. Reductions</td> <td style="text-align: right;">(27)</td> </tr> <tr> <td>T.O. Additions</td> <td style="text-align: right;">41</td> </tr> <tr> <td>Recommended</td> <td style="text-align: right; border-top: 1px solid black;">1,263</td> </tr> </table> <p><b>Note:</b> The administrative function of the Mental Health Rehab Program is transferred to MVA with 20 associated positions. MVA will be responsible for prior authorization for care for children, adolescents, and adults. In addition, MVA will coordinate enrollment of new providers, and training of new and existing providers, and monitoring for compliance, and investigating for MH provider complaints.</p>	T.O. Base	1,249	T.O. Reductions	(27)	T.O. Additions	41	Recommended	1,263	-\$977,951	-\$1,955,902	-27
T.O. Base	1,249													
T.O. Reductions	(27)													
T.O. Additions	41													
Recommended	1,263													
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Non-recurring funding appropriated in FY 08 for the LA Health Care Quality Forum, a statewide public-private partnership dedicated to improving the quality of health for the people of LA. The forum was recommended by the Health Care Redesign Collaborative, and is made up of both public and private representation including providers, payers, and consumers. The intent of the collaborative is to suggest recommendations to improve health care delivery and outcomes in the state. The scope of work for the LHCQF included population and health surveillance, public reporting, and developing medical home performance measures. The source of federal funding is Title 19 federal financial participation.</p>	-\$642,000	-\$1,070,000	0								
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Non-recurring IAT funding for a management team for the Medicaid Management Information System (MMIS) replacement project. The source of IAT is the DHH Premiums/Medicaid Overcollections. The Medicaid Management Information System fiscal intermediary contract ended 12/31/09. CMS has approved a 2-year extension of the contract to allow DHH to select and implement a MMIS replacement system. CMS recommended a management team to provide oversight to coordinate the development and implementation activities between the independent verification and validation contract and the FI contractor to ensure successful transition. The MMIS FI processes claims for various providers.</p>	\$0	-\$560,000	0								
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Non-recurring IAT funding for a Uniform Provider Reporting System (UPRS) for hospitals and other providers, with reported information being available to consumers. The source of IAT is the DHH Premiums/Medicaid Overcollections.</p>	\$0	-\$500,000	0								
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Non-recurring IAT funding for the one-time replacement of the 25 year old Medicaid Eligibility Data System (MEDS). The source of IAT is DHH Premiums/Medicaid Overcollections. The MEDS system maintains records of Medicaid enrollees that are eligible for services in the Medicaid Program. Information received from the department indicates this initiative, funded in FY 09, will not be implemented due to DHH budget cuts projected for FY 10.</p>	\$0	-\$4,812,241	0								

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
09 -305	Health & Hospitals	Medical Vendor Administration	<p>Net reduction in funding for leases as a result of expanding the implementation of the Work@ Home initiative, or telecommuting pilot program. Savings are anticipated due to the reduction in IT hardware/software and general support, and rental cost savings per person.</p> <p>Phase 1 - July to September 2008 - total of 20 eligibility staff                      Phase 2 - October to December 2008 - additional 47 eligibility staff                      Phase 3 - January to March 2009 - additional 55 eligibility staff (including supervisors and managers in eligibility program)                      Phase 4 - April to June 2009 - anticipated total number of additional employees 37 projected to agree to work at home                      Total projected to work at home 159 (represents approximately 17% of eligibility staff) through FY 09.</p> <p><u>The department anticipates an additional 70 to 100 employees will agree to the work at home program in FY 10, which will reduce administrative overhead costs by \$569,306 in FY 10. This reduction is based on an average \$5,000 savings per employee.</u></p> <p>The federal source of funding is the Medicaid Administration Grant from the Centers for Medicare &amp; Medicaid Services.</p>	-\$284,653	-\$569,306	0
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Non-recurring funding for an additional provider checkwrite (payment) in FY 09 from the Medicaid Payment to Private Providers Program. For FY 09, the extra checkwrite (53 payments instead of 52) date fell on 7/30/09. The Statutory Dedication source of funding is one-time revenues deposited into the Medical Assistance Trust Fund.</p>	\$0	-\$75,832,787	0
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Non-recurring Statutory Dedication funding used for re-basing nursing home rates. The Statutory Dedicated source of funding is principle from the Medicaid Trust Fund for the Elderly (MTFE). R.S. 46:269 (B.)(1)(a) allows the principle in the fund to be used as a revenue source for re-basing nursing home rates.</p> <p><b>Note:</b> These funds have historically been used as a source of state matching funds to draw down additional federal financial participation for re-basing nursing home rates every 2 years. As of 3/31/09 the fund balance of the MTFE was \$800,440,176.</p>	\$0	-\$18,763,829	0
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Net reduction in the Medicaid Payments to Private Providers Program. Act 10 of 2009 enrolled reduced rates for various providers through an average 7.1% cut, or by \$266.6M. Act 122 of 2009 partially restored rates by appropriating \$130M for FY 10, for a total reduction of \$136.5M for FY 10. Restoration funding included statutory dedication funding (\$26M in Medical Assistance Trust Fund) and associated federal match.</p> <p><b>Note:</b> Both nursing home providers and ICF/DD community homes received cuts in Act 10. Act 122 restored the average 7.1% cut to these providers above the original cut.</p>	-\$213,320,235	-\$136,551,934	0
09 -306	Health & Hospitals	Medical Vendor Payments	<p>Annualizes reduction in funding for a 3.5% rate reduction on private providers in FY 09. The reduction is the result of the Deficit Reduction Plan (or FY 09 mid-year cuts) for 14 health care providers. These service providers impacted include case management, CRNA's, durable medical equipment, Hemodialysis, hospital inpatient and outpatient services, intermediate care facilities for the developmentally disabled, Lab and X-ray services, long term personal care services, mental health inpatient services, mental health rehabilitation, Elderly &amp; Disabled Adults waiver, NOW waiver, and other providers.</p>	-\$15,750,437	-\$57,211,902	0

**Major Reductions in the FY 10 Budget Compared to the FY 09 Budget**

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>														
09 -306	Health & Hospitals	Medical Vendor Payments	Annualizes reduction in funding for efficiencies implemented in FY 09 (mid year cuts) as part of the Deficit Reduction Plan. The efficiencies implemented as a result of the mid year cuts are projected to result in total savings to DHH of approximately \$35.8M in FY 09. These efficiencies are being annualized for a full year. Efficiencies include the following:  <table border="0"> <tr> <td><u>Efficiency</u></td> <td><u>Affected Provider</u></td> </tr> <tr> <td>Interqual</td> <td>Hospital - Inpatient services</td> </tr> <tr> <td>Outliers</td> <td>Hospital - Inpatient services</td> </tr> <tr> <td>Pharmacy (5 scripts w/P.A.)</td> <td>Physician services</td> </tr> <tr> <td>Leave Days payment change</td> <td>Nursing Homes</td> </tr> <tr> <td>Room &amp; Board payment change</td> <td>Hospice</td> </tr> <tr> <td>Radiology Utilization Mgmt.</td> <td>Hosp Outpat &amp; Physician Svcs.</td> </tr> </table>	<u>Efficiency</u>	<u>Affected Provider</u>	Interqual	Hospital - Inpatient services	Outliers	Hospital - Inpatient services	Pharmacy (5 scripts w/P.A.)	Physician services	Leave Days payment change	Nursing Homes	Room & Board payment change	Hospice	Radiology Utilization Mgmt.	Hosp Outpat & Physician Svcs.	-\$42,177,220	-\$153,204,576	0
<u>Efficiency</u>	<u>Affected Provider</u>																			
Interqual	Hospital - Inpatient services																			
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Room & Board payment change	Hospice																			
Radiology Utilization Mgmt.	Hosp Outpat & Physician Svcs.																			
09 -306	Health & Hospitals	Medical Vendor Payments	Reduces funding as the result of the decline in the projected costs of covering existing LaCHIP expansion enrollees below 250% of the FPL. Act 19 of 2008 provided \$10.2M in additional funding to cover an estimated 6,000 children in households whose incomes fall with 200% to 250% of the federal poverty level (Phase V LaChip expansion).	-\$1,049,604	-\$4,938,759	0														
09 -306	Health & Hospitals	Medical Vendor Payments	Adjusts funding in the Uncompensated Care Costs Program to reflect an overall reduction in Disproportionate Share Hospital (DSH) payments to public and private providers. DSH payments are made by LA Medicaid to hospitals to cover allowable uncompensated care costs as a result of serving a disproportionate share of low-income, uninsured or underinsured patients. The source of federal funds is Title 19 federal financial participation.	-\$38,680,138	-\$119,420,000	0														
09 -306	Health & Hospitals	Medical Vendor Payments	Non-recur a portion of the 3-year Primary Care Access Stabilization Grant. This grant is 100% federal funds from CMS, under the authority of Section 6201(a)(4) of the Deficit Reduction Act of 2005. The total grant is \$100M authorized over a 3-year period. These funds are used for payments to eligible primary care clinics, including primary mental health services, with the intent to stabilize primary care in the greater New Orleans communities post Katrina. DHH indicates that there are 25 grantees with 91 clinical sites.  DHH has partnered with the LA Public Health Institute (LPHI), a not-for-profit, to determine clinic eligibility, and carry out day to day oversight and technical support for grantee clinics. Prior year expenditures are represented below:  <table border="0"> <tr> <td>Portion of the grant used for payments</td> <td>\$99,500,000</td> </tr> <tr> <td>FY 08 Actual Expenditures</td> <td>(\$44,382,498)</td> </tr> <tr> <td>FY 09 Budgeted</td> <td>(\$37,190,205)</td> </tr> <tr> <td>Balance</td> <td>\$17,927,297</td> </tr> </table> This adjustment leaves sufficient budget authority to draw down the balance of the grant for FY 10. The term of the grant is 9/30/10.	Portion of the grant used for payments	\$99,500,000	FY 08 Actual Expenditures	(\$44,382,498)	FY 09 Budgeted	(\$37,190,205)	Balance	\$17,927,297	\$0	-\$19,262,908	0						
Portion of the grant used for payments	\$99,500,000																			
FY 08 Actual Expenditures	(\$44,382,498)																			
FY 09 Budgeted	(\$37,190,205)																			
Balance	\$17,927,297																			
09 -306	Health & Hospitals	Medical Vendor Payments	Non-recurring Provider Stabilization Grant award (awarded for 6/30/08 through 9/30/09). 100% federal funding was used for one-time payments to eligible acute care hospitals and inpatient psychiatric facilities located in parishes that FEMA designated as hurricane relief areas. The \$10.1M grant fund payments were based using the amount of demonstrated financial operating loss (per individual hospitals financial statements presented to DHH) for FY 07. The number of hospitals participating (grantees) is approximately 20 acute and psychiatric hospitals.  The source of federal funds is the Hurricane Katrina Healthcare Related Provider Stabilization Grant authorized through the Deficit Reduction Act of 2005.	\$0	-\$10,143,671	0														

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09 -307	Health & Hospitals	Office of Secretary	Personnel reductions in Office of the Secretary. Information received from DHH indicate that the Office of the Secretary currently has 19 vacancies, and the reduction of 16 positions within the Table of Organization is not anticipated to result in any layoffs. The positions include the following job titles: program managers, program monitors, administrative assistants, accountant specialist, human resource analyst, IT tech support specialist, and auditors.	-\$1,463,743	-\$1,463,743	-16
09 -307	Health & Hospitals	Office of Secretary	Non-recurring funding for the support of the Family Practice Residency Program in Lake Charles. The source of Statutory Dedication funds is one-time revenues deposited into the Overcollections Fund.	\$0	-\$237,500	0
09 -307	Health & Hospitals	Office of Secretary	Non-recurring funding for the Rural Health Care Pilot Program (RHCPP). The RHCPP was created by the Federal Communications Commission (FCC) to assist public health care providers in developing a state broadband health care network. According to DHH, the intent is to provide tele-medicine and tele-health to medically under served areas.	-\$936,000	-\$936,000	0
09 -307	Health & Hospitals	Office of Secretary	Non-recurring funding for 2 federal grants that have termed as of 9/30/08. The specific grants are the LA Integrated Treatment Services Grant (\$196,648) and the State Planning Grant (\$750,250).	\$0	-\$946,898	0
09 -307	Health & Hospitals	Office of Secretary	Non-recurring Statutory Dedicated funding from one-time revenues deposited into the Overcollections Fund for the LA Rural Hospital Information Exchange (LaRHIX). The LaRHIX initiative for the Rural Hospital Coalition (RHC) allows hospitals to implement electronic medical record technology and telecommunications technology, including tele-medicine and tele-health technology. Information from the DHH indicates this initiative is a component of a state initiative to support an overall telecommunications infrastructure to support the development of a multiple health information exchange in order to share patient medical records.	-\$2,419,137	-\$12,873,602	0
09 -307	Health & Hospitals	Office of Secretary	Reduces funding for 4 positions funded for the LA Health Information Exchange project. Approximately \$355,264 in funding for salaries and related benefits remain in the Office of the Secretary's budget to cover the cost of 3 positions (4 unfilled vacancies for this initiative are being eliminated).	-\$289,606	-\$289,606	-4
09 -307	Health & Hospitals	Office of Secretary	Reduces funding for professional services contracts. The following specific contracts are being eliminated or reduced in the Office of the Secretary.  1) Revenue maximization contract eliminated (\$280,000). Contract was entered into in FY 06 to increase Medicaid revenues to LSU HSC and local education agencies. 2) Cost allocation contract eliminated (\$175,000). Funding was used for planning phase in implementing a new cost allocation contract. A new system has yet to be implemented. 3) Health Care Reform - partial reduction of funding (\$20,814) for the Health Care Reform Initiative added to DHH in FY 06.	-\$475,814	-\$475,814	0
09 -307	Health & Hospitals	Office of Secretary	Reduces \$1,799,752 SGF and Statutory Dedicated funding (\$800,334) from one-time revenues deposited into the LA Healthcare Redesign Fund for the LA Health Information Exchange project. Information provided by the department indicates this initiative is anticipated to be funded from <u>federal fiscal stimulus funds</u> (American Recovery & Reinvestment Act of 2009), which provides funding for Health Information Technology.	-\$1,799,752	-\$2,600,086	0
09 -307	Health & Hospitals	Office of Secretary	Non-recurring funding for the Amyotrophic Lateral Sclerosis (ALS) Association of LA (\$150,000 ) and the National Kidney Foundation of LA (\$50,000).	-\$200,000	-\$200,000	0
09 -307	Health & Hospitals	Office of Secretary	Non-recurring funding for North Caddo Medical Center (\$47,500), Lafayette Community Health Care Clinic (\$47,500), Calcasieu Community Clinic (\$47,500), St. Chatham Rural Health Clinic (\$47,500) and the St. Charles Community Health Clinic (\$237,500). The source of Statutory Dedication funds is one-time revenue deposited into the Overcollections Fund.	\$0	-\$427,500	0

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09 -320	Health & Hospitals	Aging & Adult Services	Non-recurring federal funding from the Independence Plus Grant. The grant was used primarily to do program design and development to pilot consumer directed waiver services in the Office of Aging & Adult Services. The policies, procedures, and materials were developed; however, the pilot is on hold due to budget reductions. Some of the grant funds were also used to develop a Resident Emergency Alert and Locator System to facilitate tracking and assistance to service recipients during an evacuation and to establish, through a non-profit partner, a Micro-enterprise revolving loan fund to assist persons with disabilities in pursuing self-employment through the establishment of small businesses.	\$0	-\$456,991	0
09 -320	Health & Hospitals	Aging & Adult Services	Reduces approximately 5% of funding used for supplies and operating services.	-\$123,213	-\$123,213	0
09 -320	Health & Hospitals	Aging & Adult Services	Reduces funding for professional services contracts that provide research, evaluation, training, and technical assistance related to improving the cost-effectiveness and quality outcomes of Home & Community-Based Services (HCBS), including development of alternatives to current HCBS. These contracts do not impact direct services but will impact the agency's ability to implement long-term care reform initiatives and more cost-effective community based services.	-\$147,000	-\$147,000	0
09 -320	Health & Hospitals	Aging & Adult Services	Reduces funding for other charges. This reduction will not impact direct services to current recipients but may delay the selection of a fiscal agent for implementation of a pilot consumer-directed option to the Long-Term Care Personal Services and the implementation of a pilot regional Single Point of Entry in Region 7 in association with the Governor's Office of Elderly Affairs and the local Aging Disability Resource Center.	-\$110,000	-\$110,000	0
09 -320	Health & Hospitals	Aging & Adult Services	Reduces funding for the cost of providing pagers to 18 Adult Protective Service workers.	-\$1,302	-\$1,302	0
09 -320	Health & Hospitals	Aging & Adult Services	Reduces funding for travel for regional staff based on an anticipated lower number of pre-certification home visits for new home and community-based waiver offers. In the current fiscal year the Office of Aging & Adult Services regional offices averaged about 190 home visits per month. For FY 10, the home visits are anticipated to decrease to approximately 90 visits per month due to fewer new slots being funded.	-\$45,372	-\$45,372	0
09 -320	Health & Hospitals	Aging & Adult Services	Reduces funding for 2 student worker positions (1 filled and 1 vacant) The student workers provide assistance to full-time staff such as making copies, running errands, filing, and preparing mail-outs. These functions will have to be performed by staff, which may negatively impact their regular job duties.	-\$9,516	-\$9,516	0
09 -320	Health & Hospitals	Aging & Adult Services	This adjustment reduces IAT funding by \$66,554 and 2 non-direct care positions. The source of IAT is Medicaid. This reduction may result in 1 layoff.	\$0	-\$66,554	-2
09 -320	Health & Hospitals	Aging & Adult Services	Reduces funding by \$752,527 (\$656,798 SGF and \$95,729 SGR) and 9 direct patient care positions in the Gateway Program. The source of the SGR is payments collected from residents. The Gateway Program provides transitional care to persons leaving acute psychiatric care at East LA Mental Health System. This reduction lowers the capacity from 40 to 30. The current census is 31 residents. One resident will have to be released from the program or placed in another setting.	-\$656,798	-\$752,527	-9
09 -326	Health & Hospitals	Public Health	Reduces funding for the Sickle Cell Anemia Center of Northern LA. The source of Statutory Dedications is the Overcollections Fund.	\$0	-\$47,500	0
09 -326	Health & Hospitals	Public Health	Reduces funding for the Women's Center of Lafayette. The source of Statutory Dedications is the Overcollections Fund.	\$0	-\$100,000	0
09 -326	Health & Hospitals	Public Health	Non-recurring funding transferred to the Recovery School District for the construction of a modular school based health center at Reed High School, which is located in the New Orleans area.	-\$600,000	-\$600,000	0

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09 -326	Health & Hospitals	Public Health	Reduces excess IAT budget authority based on a 4-year actual expenditure analysis. The source of IAT is Medicaid.	\$0	-\$2,196,884	0
09 -326	Health & Hospitals	Public Health	Reduces funding for pharmaceutical supplies in the Family Planning Program. The Family Planning Program provides clinical and reproductive services to women and men at or below 250% of poverty in order to reduce unintended and teen pregnancy. This reduction reduces funding for a contract with the Center for Disease Control for Pap smear services for liquid based cytology and HPV testing that was over estimated by \$223,283. The remaining reduction of \$300,000 is due to purchasing less expensive contraceptives. This reduction is not anticipated to impact services to clients.	-\$523,283	-\$523,283	0
09 -326	Health & Hospitals	Public Health	Reduces funding for the Genetic Disease Program for outreach, counseling and transportation services for sickle cell patients. The program provides newborn screening tests for approximately 55,000-60,000 infants born in LA each year. The screen tests for 28 metabolic and genetic conditions recommended by the American College of Medical Geneticists. The following contracts will be reduced: Tulane University (\$87,500); Sickle Cell Anemia Research (\$22,500); Baton Rouge Sickle Cell (\$22,500); Northeast Sickle Cell (\$22,500); Acadiana Sickle Cell (\$22,500); and Northwest LA Sickle Cell (\$22,500). These reductions will impact services to sickle cell disease patients, which include transportation, educational outreach, specialized counseling sessions, and Social Worker services.	-\$200,000	-\$200,000	0
09 -326	Health & Hospitals	Public Health	Reduces funding for maternal child health services by reducing contracts in the parish health units. The total current year budget for this program is \$9,470,336 (\$7,910,336 Federal; \$1,560,000 State). The Maternal Child Health Services program provides services to pregnant women, infants, and children. The following contracts for this program will be reduced: LSU Dental (\$165,718); LSU Dr. Works (\$90,000); LSU Family Medicine (\$60,000); LSU Medical Center (\$259,121); and LSU Shreveport (\$25,161). This reduction will impact approximately 650 women by reducing the number of prenatal visits by 2,200.	-\$600,000	-\$600,000	0
09 -326	Health & Hospitals	Public Health	Reduces funding for Tuberculosis (TB) lab testing services. The total current year budget for this program is \$6,575,321 (1,388,157 Federal and \$5,187,164 State). The Tuberculosis Control Program provides diagnostic, treatment, and prevention services through regional tuberculosis medical clinics and parish health units. Before Hurricane Katrina, TB testing services were performed by the OPH Lab. Post Hurricane the TB testing services were contracted with a Texas laboratory because the OPH lab was not operational. The OPH lab is now operational and will be able to start performing TB testing services in FY 10.	-\$400,000	-\$400,000	0
09 -326	Health & Hospitals	Public Health	Reduces funding for the Children's Special Health Services Program. The total current year budget for this program is \$9.352M (\$4.344M Federal; \$750,000 IAT; \$200,000 SGR; \$3.258M SGF Match; and \$800,000 SGF Supplement). The OPH policy for Children's Special Health Services (CSHS) changed to reduce pharmacy expenditures in cystic fibrosis patients who are over 21 years of age. These patients are now responsible for purchasing many of their medications that were previously covered by CSHS. However, many of them have been placed on Medicaid plans that provide more comprehensive coverage than they previously had.	-\$500,000	-\$500,000	0
09 -326	Health & Hospitals	Public Health	Reduces funding for Hemophilia services of outreach, home patients visits. The total current year budget for this program is \$975,000 SGF. OPH contracts with the LA Comprehensive Hemophilia Center at Tulane Medical School (Hemophilia Center) to provide medical examinations and consultations, patient education, and specialized nursing services with individuals affected with coagulation disorders in LA. OPH also covers the cost of care and blood clotting factor to hemophilia patients incarcerated in state and parish facilities. This is due to the fact that persons with hemophilia, if incarcerated, lose all benefits of third party payment while incarcerated, if they have those benefits (i.e. health insurance, including Medicare and Medicaid). OPH is the only state governmental agency funded to provide this aspect of their care. This reduction will reduce professional contracts for consultations and counseling sessions, which will impact the quality of care patients with blood clotting disorders receive. These reductions can lead to an increase in the number of patients who are mismanaging their condition and thus place the health of these individuals in jeopardy. The Appropriation Bill restored the reduction to services and reduced the administration costs.	-\$200,000	-\$200,000	0

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09 -326	Health & Hospitals	Public Health	Reduces funding in the Rabies Control Program for non-lab testing services.	-\$100,000	-\$100,000	0
09 -326	Health & Hospitals	Public Health	Reduces funding for organic lab testing services for the Safe Drinking Water Program performed by Texas Laboratory. These services were performed by OPH lab Pre-Katrina because the lab was no longer operational. OPH will perform these tests at its central lab located in Metairie. This reduction is in the supplies category.	-\$700,000	-\$700,000	0
09 -326	Health & Hospitals	Public Health	Reduces funding for usage of mainframe due to re-engineering efforts.	-\$100,000	-\$100,000	0
09 -326	Health & Hospitals	Public Health	Reduces funding for vital records printing cost by transferring forms electronically.	-\$200,000	-\$200,000	0
09 -326	Health & Hospitals	Public Health	Reduces funding for 4 vacant positions in the Personal Health Services Program This elimination of positions will not impact services.	-\$567,650	-\$567,650	-4
09 -326	Health & Hospitals	Public Health	This adjustment annualizes hiring freeze BA-7's in FY 09.	-\$61,781	-\$130,178	0
09 -330	Health & Hospitals	State Office of Mental Health	Reduces funding to properly allocate the amount needed to fund salaries for FY 10.	-\$94,653	-\$94,653	0
09 -330	Health & Hospitals	State Office of Mental Health	Non-recurring federal funding for the Alternatives to Restraints & Seclusion Grant that expired on 9/30/08.	\$0	-\$188,438	0
09 -330	Health & Hospitals	State Office of Mental Health	Non-recurring funding for BA-7 approved by the JLCB in October 2008. These funds were from the Governor's Office of Homeland Security & Emergency Preparedness and were used to provide crisis counseling services to the residents of LA impacted by Hurricane Gustav.	\$0	-\$2,782,373	0
09 -330	Health & Hospitals	State Office of Mental Health	Non-recurring IAT funding for the LA Integrated Treatment Service Grant that expired in 2008.	\$0	-\$196,000	0
09 -330	Health & Hospitals	State Office of Mental Health	Non-recurring FEMA funds awarded through the Substance Abuse Mental Health Services Administration for crisis counseling outreach, community education, and referral services to parishes affected by hurricanes Katrina and Rita.	\$0	-\$13,113,867	0
09 -330	Health & Hospitals	State Office of Mental Health	Reduces IAT funding by \$120,976 for the Bioterrorism Grant from the Office of Public Health to reflect the adjusted budget agreement for FY 10.	\$0	-\$120,976	0
09 -330	Health & Hospitals	State Office of Mental Health	Reduces federal funding by \$800,000 for the LA Youth Enhanced Services (LA-YES) Grant to the appropriate level of funding available of \$1.7M. The grant will expire in FY 10. LA-YES is an initiative in collaboration with the LA Children's Museum and the LA Federation of Families for Children's Mental Health to support family involvement in the system of care development and activities by creating a series of family workshops that help develop communication skills, advocacy skills, and leadership skills. The project focuses on families and children by incorporating cultural competence practices and increasing the awareness in mental health and decreasing the stigma and socio-barriers associated with mental illness.	\$0	-\$800,000	0
09 -330	Health & Hospitals	State Office of Mental Health	Reduces funding to properly allocate the amount needed to fund salaries for FY 10.	-\$13,022	-\$13,022	0

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09 -330	Health & Hospitals	State Office of Mental Health	Reduces funding in Area A (\$366,644), Area B (\$849,948) and Area C (\$231,467) due to the implementation of new procedures in physician prescribing practices. The use of specific brand name medication will require regional and hospital medical director approval. Criteria for approval of these targeted medications have been developed and discussed with prescribers. All approvals will be reviewed monthly by the Office of Mental Health Medical Director. A spending benchmark has been developed for each region and hospital and will be monitored closely.	-\$1,448,059	-\$1,448,059	0
09 -330	Health & Hospitals	State Office of Mental Health	Reduces funding by a net amount of \$1,094,272 (\$689,142 SGF, \$1,250,195 SGR and \$845,065 IAT) due to the transfer of 5 beds from the Bogalusa Medical Center to Southeast LA Hospital (SELH). For FY 10, an agreement was reached with LSU for OMH to operate 5 of the beds at SELH, which will be funded with IAT. The source of IAT is Uncompensated Care Costs payments (UCC).	-\$689,142	-\$1,094,272	0
09 -330	Health & Hospitals	State Office of Mental Health	Reduces funding for the pharmacy budget (\$200,000) and 2 contracts in Region 3. The pharmacy budget has realized efficiencies by using the Patient Assistance Program (PAP), samples, and other patient resources to provide quality medication administration at a reduced cost. Region 3 has an unapproved contract for mobile crisis services for St. Charles, St. James, and St. John parishes. Part of this contract was reduced as a part of the Deficit Reduction Plan. This adjustment reduces the remaining (\$167,685). These services are currently being absorbed by local providers and the State OMH in the clinics areas. The second contract (\$32,315) with Nicholls State University was approved in December 2008; however, the provider has not delivered services. The contract provides for after-school life skills training and mentoring to 150 youth in Terrebone Parish. There are similar programs in the community that could serve this population.	-\$400,000	-\$400,000	0
09 -330	Health & Hospitals	State Office of Mental Health	Non-recurring Social Services Block Grant funds that were carried forward in FY 09 for mental health services related to hurricanes Katrina and Rita.	\$0	-\$6,347,933	0
09 -330	Health & Hospitals	State Office of Mental Health	Reduces funding and 19 positions for the operation of the Huey P. Long Psychiatric Acute Unit. The OMH-Area C contract with LSU to staff beds for this unit was canceled effective 1/1/09. LSU will operate these beds and will hire the 19 staff; therefore, no lay-offs are anticipated as a result of this reduction.	-\$400,000	-\$400,000	-19
09 -330	Health & Hospitals	State Office of Mental Health	Reduces IAT funding by \$1.8M and 33 positions due to the closure of the 12-bed acute adolescent unit at Central LA State Hospital (CLSH). This unit is for the treatment of males, ages 13-17, with both a mental health and developmental disability diagnosis that are involved with the juvenile justice system. The patients in this unit will be moved into regular acute inpatient beds at CLSH. There are currently 9 staffed beds and 5 filled beds. The elimination of positions is not anticipated to result in any lay-offs because staff will be moved into other areas of the hospital that have vacant positions.	\$0	-\$1,800,000	-33
09 -330	Health & Hospitals	State Office of Mental Health	Non-recurring Statutory Dedications funding from the Overcollections Fund for the Caddo Parish Juvenile Mental Health Court.	\$0	-\$38,000	0
09 -330	Health & Hospitals	State Office of Mental Health	Reduces funding for the following contract services in Region 6:  <i>Extra Mile Adjunctive Services for adults (\$11,850) and youth (\$11,850).</i> Adjunctive services will be eliminated for 135 adults and 201 youth.  <i>Rapides Police Jury-9th Judicial Court (\$11,852).</i> In-home and wrap around services to at-risk youth in the schools and the FINS program will be eliminated for 180 children.  <i>VOA Women's Lift (\$211,136).</i> 6-bed residential program that provides 24-7 supervision for women who otherwise would not be discharged from Central LA State Hospital will be eliminated for 8 people.	-\$246,688	-\$246,688	0

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09 -330	Health & Hospitals	State Office of Mental Health	<p>Reduces funding for the following contract services in Region 7:</p> <p><i>Mobil Adult Crisis Screening (\$100,000)</i> - Provides a mobile team to conduct assessments for adults in Region VII who experience self identified crisis where face to face evaluation, supports, and linkages to services are needed and provides for one crisis respite bed on a per diem rate. Eliminates services for 75 adults.</p> <p><i>Resource "Adult Recover Drop In" Sites (\$80,000)</i> - Expands provision of structured wellness/recovery education and activities to promote wellness for adults with mental illness to the region's rural areas. Eliminates services for 200 adults.</p> <p><i>Functional Family Therapy (\$220,000)</i> - Provides intensive community based services to children, youth and families whose behaviors put them at risk of hospitalization or other out-of-home placements. Eliminates services for 50 children/youth.</p>	-\$400,000	-\$400,000	0
09 -330	Health & Hospitals	State Office of Mental Health	Reduces funding by \$1,205,879 and 14 Southeast LA Hospital administrative and support positions. Of these positions, 12 are filled and 2 are vacant. This reduction will not impact services to clients but will impact the hospital's ability to meet education and training requirements, quality management services for accreditation, and maintenance demands.	-\$1,205,879	-\$1,205,879	-14
09 -330	Health & Hospitals	State Office of Mental Health	Reduces funding and 7 positions due to the elimination of the Eastern LA Mental Health System (ELMHS) Fire Department. This department operates 24-hours a day seven days a week and responds to all codes called on the main campus and ASSA campus grounds, fires at ELMHS in Jackson, Dixon Correctional Facility, War Veterans Home, and Villa in Jackson. The Forensic Compound located on-site will have to arrange fire coverage with the McManus Voluntary Fire Department. The War Veterans Home and Villa will be left without coverage. This reduction may result in a layoff of 7 positions.	-\$300,000	-\$300,000	-7
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Non-recurring funding for the LA Assistive Technology Access Network (LATAN). The source of Statutory Dedications is the Overcollections Fund. LATAN's mission is to collaborate with individuals with disabilities and agencies to develop and implement a seamless system of assistive technology services and supports for all individuals with disabilities in LA. DHH provides fiscal support to LATAN, but does not administer the program or its activities. House Committee amendment restored \$250,000 in SGF and Senate Committee amendment restored \$200,000 in SFG resulting in a net reductions of \$150,000. Veto eliminated \$450,000 in SGF resulting in a total reduction of \$600,000 in Statutory Dedications. Act 122 of 2009, restored \$450,000 SGF resulting in a net reduction of \$150,000.	\$450,000	-\$150,000	0
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Non-recurring federal funding from the Federal Rebalancing Grant which ended 9/30/08. This grant was used to assist with the transition of individuals from institutional to community settings and to provide consultants to assist public and private intermediate care facilities, with 16 plus beds, in developing plans to downsize.	\$0	-\$30,000	0
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Non-recurring funding for the Association of Retarded Citizens in Caddo and Bossier Parishes. The source of Statutory Dedications is the Overcollections Fund.	\$0	-\$95,000	0
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Non-recurring funding for the Association of Retarded Citizens in Beauregard Parish. The source of Statutory Dedications is the Overcollections Fund.	\$19,380	-\$51,870	0
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Non-recurring funding for the Special Olympics Program. This funding was transferred to the agency from the Office of Tourism via in-house BA-7 approved in January 2009.	\$0	-\$100,000	0

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09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Reduces funding and 16 positions for the resource center and community support team operations. The resource center provides technical assistance, training, and some services to people with disabilities that are living in the community. The reduction in funding and staff for the resource center may reduce the agency's ability to deal with psychological and medical issues once individuals transition to the community. This reduction is anticipated to result in 16 layoffs.	\$2,870,153	\$2,870,153	-16
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Reduces IAT funding and 29 positions for the transition of Supported Independent Living to private providers. This transition will not result in a reduction of services. 21 individuals will be given new freedom of choice for a private provider. Private providers will bill Medicaid directly instead of the public centers billing Medicaid for services. The reduction of 29 positions will result in layoffs; however, the number of layoffs cannot be determined at this time.	\$0	-\$1,558,452	-29
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Reduces funding (\$638,766 IAT and \$44,247 SGR) and 28 positions for the transition of community homes to private providers. Two community homes (6 people per home) will be transferred to private providers via cooperative endeavor agreements. The cooperative endeavor agreements will allow the Office for Citizens with Developmental Disabilities to approve the admissions and discharges for the various homes, provide technical assistance, and provide incentives for keeping current staff. It is anticipated that this reduction will result in layoffs but the actual number cannot be determined at this time.	\$0	-\$683,013	-28
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Reduces funding and a position for the transition of extended family living to private providers. There will be 6 individuals in the Greater New Orleans area that will transition to private providers. No impact to services is anticipated; however, this reduction is anticipated to result in 1 layoff.	\$0	-\$122,526	-1
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Reduces funding and 11 positions for community services staff in the resource center. The resource center provides technical assistance, training, and some services to people with disabilities that are living in the community. The reduction in funding may reduce the agency's ability to deal with psychological and medical issues once individuals transition to the community. The 11 positions being eliminated are vacant and; therefore, will not result in any layoffs.	-\$885,885	-\$885,885	-11
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Non-recurring funding for the Bertha Nelson Day Care Center. The source of Statutory Dedications is the Overcollections Fund.	\$0	-\$47,500	0
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Reduces funding for 12 statewide community services staff positions. These positions provide support coordination and approval of waiver services and plans. Some of these positions were established to assist with the increased number of waivers that were added to the developmental disability system over the last 2 years. This reduction is not anticipated to result in a layoff because staff will move into other vacancies. Increased workload may require some restructuring of tasks, elimination of non-essential tasks and some increased timelines for plan approval.	-\$966,420	-\$966,420	-12
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Reduces funding due to cost savings generated from the transition of Supported Independent Living from public to private providers. This savings is realized because public provided services cost more than the reimbursement received for these services.	\$0	-\$705,131	0
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Reduction in funding and a position for community services staff in the resource center. The resource center provides technical assistance, training, and some services to people with disabilities that are living in the community. The reduction in funding may reduce the agency's ability to deal with psychological and medical issues once individuals transition to the community. The position being eliminated is vacant and; therefore, will not result in any layoffs.	-\$80,535	-\$80,535	-1
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Reduces funding and 4 administrative positions (3 filled and 1 vacant) This reduction may result in 3 layoffs in the central office, which will require other staff to handle additional duties to accommodate the workload.	-\$358,572	-\$358,572	-4

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09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Reduces funding for the transition of extended family living to private providers. There will be 7 individuals at Northwest that will transition to private providers. No impact to services is anticipated.	\$0	-\$33,615	0
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Reduces funding for the transition of 2 community homes (6 people per home) to private providers via cooperative endeavor agreements. The cooperative endeavor agreements will allow the Office for Citizens with Developmental Disabilities to approve the admissions and discharges for the various homes, provide technical assistance, and provide incentives for keeping current staff.	\$0	-\$1,198,033	0
09 -340	Health & Hospitals	Citizens w/ Developmental Disabilities	Non-recurs funding and one (1) position pursuant to Act 672 of 2006 Early Retirement.	\$0	-\$22,407	-1
09 -351	Health & Hospitals	Addictive Disorders	Non-recurring funding for CENLA Chemical Dependency Council for operations and the expansion of a detoxification unit and drug abuse treatment facility from the Overcollections Fund. According to the Office for Addictive Disorders, CENLA used these funds for one-time infrastructure costs. \$3.6M remains in OAD's budget for CENLA from the following sources: \$242,000 SGF, \$534,000 IAT from TANF, \$200,000 SGR, \$200,000 in Statutorily Dedicated funds, and \$2.6M in Federal funds.	\$0	-\$47,500	0
09 -351	Health & Hospitals	Addictive Disorders	Non-recurring Statutory Dedications funding for the Jackson Parish Police Jury for support of substance abuse services from the Overcollections Fund. The Jackson Parish Policy Jury used these funds for lease payments at the Jonesboro Addictive Disorders Clinic.	\$0	-\$23,750	0
09 -351	Health & Hospitals	Addictive Disorders	Reduces Federal Access to Recovery (ATR) funding that is no longer available.	\$0	-\$4,000,000	0
09 -351	Health & Hospitals	Addictive Disorders	Reduces funding for 22 job appointments previously funded by SSBG. These positions currently provide direct care services in intense outpatient treatment programs in 6 regions (Regions 3, 4, 5, 6, 7 and 8) of the state. Because these are job appointments, there will be no layoffs. These temporary positions were established with SSBG funds to address the increase demand for services post Katrina. These SSBG funds were converted to SGF in FY 09. The reduction in staff will result in the elimination of services to 5,500 individuals. Evacuees relocated to other areas of the state such as Regions 6, 7 and 8 and resulted in an increase in workload for those regions.	-\$791,814	-\$791,814	0
09 -351	Health & Hospitals	Addictive Disorders	Reduces funding for 8 underutilized medically supported detox beds at Odyssey House in New Orleans. Odyssey House will serve an estimated 487 fewer patients due to this budget reduction.	-\$707,990	-\$707,990	0
09 -351	Health & Hospitals	Addictive Disorders	Reduces funding for travel of workforce training. OAD will reduce travel for non-client related activities such as training, conferences and meetings. Employees will be required to cover continuing education and training costs, additionally; other avenues such as on-line training and video conferencing will continue to result in improving efficiencies and reducing the size of government.	-\$300,000	-\$300,000	0
09 -351	Health & Hospitals	Addictive Disorders	Reduces funding for increased LA Health Rehab Options (LHRO) contracts from \$138 to \$250 per day. LHRO will continue to operate at a daily rate of \$138 in FY 10.	-\$408,800	-\$408,800	0
09 -351	Health & Hospitals	Addictive Disorders	Non-recurs funding associated with the CO-SIG project that ended. These were federal funds from the Substance Abuse and Mental Health Services Administration (SAMHSA) to train OAD and OMH staff to better treat patients with co-occurring disorders. This grant was temporary and funds for the initiative ended with FY 09.	\$0	-\$221,194	0
<b>Major Reductions for Health &amp; Hospitals</b>				<b>-\$336,129,286</b>	<b>-\$680,136,128</b>	<b>-238</b>

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10 -355	Social Services	Family Support	Reduces funding (\$3,204,051 SGF and \$3,343,571 Federal) for travel, operating services, supplies, and other charges.	-\$3,204,051	-\$6,547,622	0
10 -355	Social Services	Family Support	Reduces funding (\$268,928 SGF and \$268,928 Federal) for travel, operating services, supplies, other charges, and acquisitions.	-\$268,928	-\$537,856	0
10 -355	Social Services	Family Support	Reduces funding (\$1,160,475 SGF and \$1,160,475 Federal) for indirect costs for administrative and general operational support in the Office of the Secretary.	-\$1,160,475	-\$2,320,950	0
10 -355	Social Services	Family Support	Reduces excess federal budget authority that is no longer needed for the child care assistance adoptive children program activity.	\$0	-\$324,348	0
10 -355	Social Services	Family Support	Non-recurs Supplemental Social Services Block Grant funding that was used to meet the social services behavioral health care needs of people affected by hurricanes Katrina and Rita.	\$0	-\$3,200,473	0
10 -357	Social Services	Office of Secretary	Reduces funding (\$276,371 SGF and \$2,086,916 IAT) for data processing workers who were retained to assist the Division of Information Services with maintenance of current operating services. The agency will use current staff to perform this function.	-\$276,371	-\$2,363,287	0
10 -357	Social Services	Office of Secretary	Reduces funding (\$24,000 SGF and \$60,000 IAT) for travel and supplies.	-\$24,000	-\$84,000	0
10 -357	Social Services	Office of Secretary	Non-recurring IAT funding for A Comprehensive Enterprise Social Services System (ACCESS) operations for one-time expenditures.	\$0	-\$3,400,000	0
10 -357	Social Services	Office of Secretary	Non-recurring IAT funding from the Social Services Block Grant funds that was used to meet the social services behavioral health and health care needs of people affected by hurricanes Katrina and Rita.	\$0	-\$305,297	0
10 -370	Social Services	Community Services	Non-recurring Supplemental Social Services Block Grant funding used to provide services to individuals who were impacted by hurricanes Katrina and Rita.	\$0	-\$13,319,827	0
10 -370	Social Services	Community Services	Non-recurring Statutory Dedicated funding for A Comprehensive Enterprise Social Services System (ACCESS) operations for one-time expenditures in the Administration & Support Program (\$122,740) and Child Welfare Services Program (\$3,277,260).	\$0	-\$3,400,000	0
10 -370	Social Services	Community Services	Non-recurring Statutory Dedicated funding for the Rapides Children's Advocacy Center for child abuse prevention services.	\$0	-\$71,250	0
10 -370	Social Services	Community Services	Non-recurring Statutory Dedicated funding of \$95,240 for the St. Tammany Children's Advocacy Center. Appropriation Bill restored \$80,000 to the Child Welfare Services Program for a net reduction of \$15,240. Veto eliminated \$80,000 resulting in a total reduction of \$95,240. Supplemental Appropriation (HB 881) restored \$80,000 SGF resulting in a net reduction of \$15,240.	\$80,000	-\$15,240	0
10 -370	Social Services	Community Services	Reduces funding for consulting contracts for the development of the Child Welfare Training Consortium: Workforce Development Support.	-\$144,000	-\$144,000	0
10 -370	Social Services	Community Services	Reduces funding for contracts that provide clinical oriented assessment and training services to assess the quality of placement and decision making regarding reunification, permanency planning, and case planning activities for children placed in foster care custody.	-\$715,457	-\$715,457	0

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10 -370	Social Services	Community Services	Reduces funding (\$1,187,776 SGF and \$1,187,776 Federal) for A Comprehensive Enterprise Social Services System (ACCESS). This database system supports part of the core mission of DSS in the program areas of Foster Care, Child Care, TANF-STEP and Child Protection Investigation.	-\$1,187,776	-\$2,375,552	0
10 -370	Social Services	Community Services	Reduces funding (\$1,855,844 SGF; \$1,319,952 IAT; and \$901,800 Federal) for family services such as in-home supervision, on-going risk assessment, and support and monitoring services.	-\$1,855,844	-\$4,077,596	0
10 -370	Social Services	Community Services	Reduces funding (\$97,000 SGF and \$97,000 Federal) for cell phones and blackberries used by Child Protection Investigation staff for emergency communication while in the field.	-\$97,000	-\$194,000	0
10 -370	Social Services	Community Services	Reduces funding for services provided by the 12 family resource centers. These centers provide respite services to preserve foster home placements, supervised family visitation to support reunification, information and referral to additional community resources, and advocacy services to assist parents with seeking appropriate educational services for their children.	-\$1,650,000	-\$1,650,000	0
10 -370	Social Services	Community Services	Reduces funding for the Child Protection & Support Program. Federal funds of \$373,761 replaces a portion of the SGF reduction.	-\$869,137	-\$495,376	0
10 -370	Social Services	Community Services	Eliminates funding (\$1,595,000 SGF and \$195,000 Federal) and 13 positions for the Young Adult Program which supports youth that are aging out of foster care until their 21st birthday. Services provided includes assistance with monthly board payments, assistance with Medicaid for health related costs, educational assistance not provided by other financial aid, short-term emergency mental health, clothing for job seeking or as required by educational institutions, transportation assistance, and school supplies for high school or GED preparation.	-\$1,595,000	-\$1,790,000	-13
10 -370	Social Services	Community Services	Reduces funding (\$69,712 SGF and \$29,877 Federal) for indirect costs to the Office of the Secretary for administrative and general operational support.	-\$69,712	-\$99,589	0
10 -374	Social Services	LA Rehabilitation Services	Reduces funding (\$53,628 SGF and \$60,658 Federal) for operating services.	-\$53,628	-\$114,286	0
10 -374	Social Services	LA Rehabilitation Services	Reduces funding for the Independent Living Program. Federal fiscal stimulus funds (\$345,083) replaces a portion of the \$640,276 SGF reduction, resulting in a net reduction of \$295,193. The Appropriation Bill restored \$640,000 in SGF resulting in a net increase of \$345,359. Veto eliminated \$640,000 in funding resulting in a net reduction of \$295,193.	-\$640,276	-\$295,193	0
<b>Major Reductions for Social Services</b>				<b>-\$13,731,655</b>	<b>-\$47,841,199</b>	<b>-13</b>

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11 -434	Natural Resources	Mineral Resources	Elimination of 2 vacant positions, along with associated funding for salaries and related benefits from the Mineral Resources Operation Fund. The vacant positions are Liaison Officer and Auditor Supervisor.	\$0	-\$137,833	-2
<b>Major Reductions for Natural Resources</b>				<b>\$0</b>	<b>-\$137,833</b>	<b>-2</b>
12 -440	Revenue	Office of Revenue	4-year strategic reduction in expenditure categories such as other compensation (\$360,000), operating services (\$826,401), travel (\$154,181), professional services (\$757,257), supplies (\$110,655), other charges (\$1M), and interagency transfers (\$10,063). These reductions are in response to the closure of the Thibodaux office allowing those employees to work from home as well as general reductions within the department.	-\$3,218,557	-\$3,218,557	0
12 -440	Revenue	Office of Revenue	This reduction is related to the loss of funding for 18 positions in the Office of Revenue, including 17 revenue tax analysts and one administrative assistant. Since these positions are not vacant at this time, layoffs are expected. These position eliminations are in addition to the 16 vacant positions in the tax collection program that were eliminated with the FY 09 mid-year budget cuts.	-\$1,360,433	-\$1,360,433	-18
12 -441	Revenue	LA Tax Commission	A negative adjustment of \$227,066 represents salaries related to the elimination of two attorney positions completing the elimination of the legal division which began with the mid-year elimination of one attorney position. In addition, a reduction of \$69,041 provides for strategic reductions in expenditure categories such as travel, operating services, professional services, other charges, and interagency transfers. The duties of the legal division will be absorbed into the existing legal contract of \$150,000 per year without additional expense.	-\$296,107	-\$296,107	-2
<b>Major Reductions for Revenue</b>				<b>-\$4,875,097</b>	<b>-\$4,875,097</b>	<b>-20</b>
14 -474	Workforce Commission	Workforce Development	This adjustment is the net loss from a Community Development Block Grant for workforce training to serve the hurricane-impacted areas of South LA. In FY 09, \$28M in IAT budget authority was provided through a BA-7 but was non-recurred in FY 10. However, \$10M will be expensed in FY 10 in the Job Training & Placement Program.	\$0	-\$18,000,000	0
14 -474	Workforce Commission	Workforce Development	This reduction is related to the elimination of 135 positions at the LA Workforce Commission, all of which were vacant and from all areas of the agency. This reduction is in addition to the 73 vacant positions that were eliminated in the FY 09 mid-year budget cuts. The positions were funded primarily through federal dollars (\$3,013,008), with \$415,380 in IAT and \$366,576 from the Employment Security Administration Account and the Penalty & Interest Account.	\$0	-\$3,794,964	-135
<b>Major Reductions for Workforce Commission</b>				<b>\$0</b>	<b>-\$21,794,964</b>	<b>-135</b>

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16 -514	Wildlife & Fisheries	Office of Fisheries	Adjustment to align expenditures with anticipated revenues in the Aquatic Plant Control Fund for FY 10. These funds are collected by the Department of Public Safety for each registered boat trailer (\$3.35 per trailer) and deposited by the Treasury into this fund for treating water bodies for undesirable aquatic vegetation. This leaves approximately \$660,000 in the fund for this purpose.	\$0	-\$473,000	0
<b>Major Reductions for Wildlife &amp; Fisheries</b>				<b>\$0</b>	<b>-\$473,000</b>	<b>0</b>
17 -560	Civil Service	State Civil Service	Reduces expenditures funded with IAT revenue for operating services (\$167,908), travel (\$10,500), supplies (\$17,562) and professional services (\$10,000). Agency states that impact of reductions is as follows: operating services reduction reduces hardware and software maintenance and may result in increased computer down time and decreased availability of computer system operations; travel reduction reduces instate travel and would result in slower response time to customers; supplies reduction eliminates funding for 2 copiers and would result in decreased copying services for clients, i.e. training booklets, fliers, study guides; professional services reduction will result in the agency's inability to contract with experts on human resource related matters.	\$0	-\$205,970	0
17 -561	Civil Service	Municipal Fire & Police C.S.	Eliminates Statutory Dedications from the Municipal Fire & Police Civil Service Fund for non-recurring expenditures for production of training video.	\$0	-\$45,000	0
17 -562	Civil Service	Ethics Administration	Non-recurring expenditures for information technology project and computer equipment.	-\$289,633	-\$289,633	0
<b>Major Reductions for Civil Service</b>				<b>-\$289,633</b>	<b>-\$540,603</b>	<b>0</b>
19A-	Higher Education		Excluding the LA Office of Student Financial Assistance (LOSFA), higher education total SGF decreased \$307M (22% decline) from the FY 09 budget (as of 6/30/2009) to FY 10 initial appropriation amounts. The reduction in SGF from FY 09 to FY 10 would be \$406.6M without the inclusion of \$86.2M in Budget Stabilization funding (SGF means of finance) and another \$13.5M (SGF means of finance) due to the return of an economic development incentive package by the Shaw Group. Higher education also received an appropriation of \$189.7M in one-time federal American Recovery & Reinvestment Act, and the same amount for FY11. <u>Use of these one-time funds of \$289.4M in FY 10 and \$189.7M in FY 11 will necessitate significant reductions in higher education funding in FY 11 and thereafter based on the state's estimated revenues.</u> Excluding LOSFA, higher education funding from all means of finance declined by \$75M (3% decline) from FY 09 to FY 10.	-\$307,000,000	-\$75,000,000	0
<b>Major Reductions for Higher Education</b>				<b>-\$307,000,000</b>	<b>-\$75,000,000</b>	<b>0</b>

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19B-651	Special Schools & Comm.	LA School for Visually Impaired (LSVI)	LSVI SGF was reduced by \$397,939 for 13 positions and \$1,383,396 for Acquisitions/Major repairs.	-\$1,781,335	-\$1,781,335	-13
19B-653	Special Schools & Comm.	LA School for the Deaf (LSD)	The LA School for the Deaf was cut by \$975,729 funding 31 positions.	-\$975,729	-\$975,729	-31
19B-655	Special Schools & Comm.	LA Special Education Center (LSEC)	Elimination of \$328,785 in SGF for 2 Administration and 5 Residential positions and another \$117,159 in operating services.	-\$445,944	-\$445,944	-7
19B-657	Special Schools & Comm.	LA School for Math, Science, & the Arts	The LA School for Math, Science & the Arts (LSMSA) was reduced \$1,471,663 in the following areas: LA Virtual School (LVS) salaries (\$126,125) - cuts faculty salaries by about 10%; acquisitions/major repairs (\$270,000); salaries for adjunct instructors (\$132,000); operating services (\$169,615); cancel Special Projects Week (\$84,702); 3% salary cut for all unclassified personnel (\$141,143); additional 7% for Executive Director and 2% for other Directors (\$19,746); eliminated summer programs (\$90,000); cuts all textbook replacements (\$60,000) and educational supplies (\$57,000); eliminates 2 positions (\$137,452); attrition (\$68,463); and several other smaller cuts totaling \$115,417.	-\$1,471,663	-\$1,471,663	-3
19B-662	Special Schools & Comm.	LA Educational Television Authority	SGF appropriation for LETA was reduced by \$1,223,485 from FY09. This reduction includes the following components: \$250,000 for Louisiana Optical Network Initiative (LONI), \$121,000 for online educational resource, pass through funds of \$632,478 for public television stations WLAE & WYES in New Orleans, \$100,000 in pass through funds for other public radio stations in LA, \$116,000 due to the reduction of two positions, and \$4,007 from operating services for fixed costs and utilities.	-\$1,223,485	-\$1,223,485	-1
19B-673	Special Schools & Comm.	New Orleans Center for Creative Arts	NOCCA's SGF was reduced by \$1,154,000 including the following reductions: 1. Elimination of our Summer Program, that served over 450 students (\$115,000), 2. Elimination of our Saturday Programs, that served over 100 students (\$54,000), 3. Elimination of our bussing services, that served over 100 students (\$75,000), 4. Loss of 8 T.O. including administrative positions and faculty positions (\$495,000), 5. Reduction in hours and numbers of Hourly Teachers, who served very unique roles on our faculty (\$85,000), 6. Elimination of supply budgets for our instructional departments (\$115,000), and 7. Reduction in funding from other line (\$215,000).	-\$1,154,000	-\$1,154,000	-8
<b>Major Reductions for Special Schools &amp; Comm.</b>				<b>-\$7,052,156</b>	<b>-\$7,052,156</b>	<b>-63</b>
19 -678	Elem. & Secondary Educ.	State Activities	The funding provided to school systems for the subscription for on-line databases where students can gather information from encyclopedias is eliminated. The Department of Education offers all LA public and nonpublic schools, teachers and students free, 24 hour, 7-days a week, unlimited access to quality information resources via the Internet. The educational community has the benefit of using a collection of subscription-based products from World Book, Inc., and EBSCOhost Publishing services.	-\$514,000	-\$514,000	0
19 -678	Elem. & Secondary Educ.	State Activities	The funding associated with the administration of the LA Leadership Excellence program is eliminated, which provides effective educational leaders to lead K-12 schools in LA. These funds were used to support the LA School Turnaround Specialist Program which focuses on providing leadership training to principals placed in chronically underperforming schools. The Department of Education provides support and professional development through team meetings.	-\$195,000	-\$195,000	-1
19 -678	Elem. & Secondary Educ.	State Activities	The funding associated with the administration of the LA Teacher Assistance & Assessment Program (LATAAP) is eliminated. Successful completion of the LATAAP Program is required for new teachers entering service for the first time in a LA public school system. The Department of Education provides training on the use of the LA Components of Effective Teaching, the teaching standards that form the assessment criteria. The training sessions are attended by teachers that will become mentors, and principals and external assessors that will be evaluating the progress of the new teachers.	-\$1,045,291	-\$1,045,291	0

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19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with the LA Teacher Assistance and Assessment Program is eliminated. The program has 2 basic purposes: (1) to provide new teachers with a planned program of leadership and support from experienced educators, and (2) to provide assurance to the state prior to the issuance of a permanent LA teacher certificate that the new teacher demonstrates competency in the understanding and use of the LA Components of Effective Teaching, the teaching standards that form the assessment criteria. Funds are currently allocated to districts to provide stipends for teacher mentors and stipends for external assessors that assist over 6,000 new teachers. There were 6,915 new teachers that were served in FY 08. The school systems are required by statute to operate this program.	-\$2,826,580	-\$2,826,580	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with the Learning Intensive Networking Communities for Success (LINCS) Program is eliminated. LINCS is a professional development process which builds a foundation for whole-school implementation of quality professional development. The goal of LINCS (Learning-Intensive Networking Communities for Success) is to provide a professional learning community within schools for teachers to improve teaching practices. The elimination of funds affects 33 schools in which 1,200 teachers receive professional development from an assigned LINCS coach. However, the LINCS schools will have the option of participating in the Teacher Advancement Program.	-\$597,040	-\$597,040	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with stipends for school social workers who have their national certification is eliminated. R.S. 17:421.10 requires a school board to provide a full-time school social worker who holds the Certified School Social Work Specialist credential an annual amount of \$5,000 provided the amount for such supplement has been appropriated to the Department of Education for reimbursement. The educators that have attained this certification would not be reimbursed as a result of the elimination of the funds.	-\$1,500,000	-\$1,500,000	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	Funding associated with Teach for America Program was reduced in HB 1 Original by \$500,000. The Enrolled Appropriation Bill requires the Department of Education to use \$500,000 in SGF that remain budgeted in State Activities to fund Teach for America at its original amount of \$968,468. The amendment does not replace the funding that was originally reduced. Therefore, there is a reduction of \$500,000 to the Department of Education's budget, but is not tied to any specific program.	-\$500,000	-\$500,000	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with LA Leadership Excellence Program is eliminated. The program aims to prepare effective educational leaders to lead K-12 schools in chronically underperforming schools that are in danger of being taken over by the state. Leadership funds are used to support staffing, professional development activities (for teacher, school, and district leaders), and stipends for teacher leaders participating in the LA Leadership Excellence Program. The program has operated in 11 schools in 6 districts and has affected 5,366 students.	-\$308,000	-\$308,000	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with paraprofessionals stipends is eliminated. It is designed to assist teacher aides and other paraprofessionals who work in state approved elementary and secondary schools to meet the qualifications for certification as a teacher. With the funding for the program, 73 paraprofessionals received tuition exemption and 8 received stipends in FY 08.	-\$144,500	-\$144,500	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with stipends for school counselors who have their national certification is eliminated. R.S. 17:421.8 requires a school board to provide a full-time school social counselor who holds the Certified School Counselor credential an annual amount of \$5,000. The salary supplement provided by a school board shall be reimbursed by the Department of Education, which is subject to the appropriation of funds. The educators that have attained this certification would not be reimbursed as a result of the elimination of the funds.	-\$1,250,000	-\$1,250,000	0

## Major Reductions in the FY 10 Budget Compared to the FY 09 Budget

<u>Sch. #</u>	<u>Dept.</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>Total</u>	<u>T. O.</u>
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with stipends for school psychologists who have their national certification is eliminated. R.S. 17:421.9 requires a school board to provide a full-time school psychologist who holds the National Certified School Psychologist credential an annual amount of \$5,000. The salary supplement provided by a school board shall be reimbursed by the Department of Education, which is subject to the appropriation of funds. The educators that have attained this certification would not be reimbursed as a result of the elimination of the funds.	-\$1,000,000	-\$1,000,000	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with stipends for school speech-pathologists and audiologists who have their national certification is eliminated. R.S.17:421.11 requires a school board to provide a full-time school speech-pathologists and audiologists who hold a license approved by the LA Board of Examiners for Speech-Language Pathology and Audiology, and a certificate of Clinical Competence an annual amount of \$5,000 provided the amount for such supplement has been appropriated to the Department of Education for reimbursement. The educators that have attained this certification would not be reimbursed as a result of the elimination of the funds.	-\$2,443,350	-\$2,443,350	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with the Graduate Exit Exam (GEE) Remediation Program is eliminated. The program is designed to provide remedial instruction to targeted students in an effort to increase their scores above the Unsatisfactory achievement level on mathematics, science, social studies and/or English Language Arts sections of the GEE. Students that did not achieve the required performance or are at risk for not passing the GEE are eligible for remediation.	-\$2,039,824	-\$2,039,824	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with High School Redesign Credit Recovery is eliminated. The program provides districts with funding to establish rigorous, effective remediation and credit recovery programs that will support the on-time promotion of students to the 9th and 10th grades, and to keep students on track for graduation. The district credit recovery programs serve both to prevent students from failing courses and to help students recover credit after they have failed a course. Approximately 45 school systems participated and 6,674 students participated in the credit recovery program with a total of 1,718 total Carnegie units being recovered.	-\$5,000,000	-\$5,000,000	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with K-3 Reading program is eliminated. The program improves reading and math skills of students in K-3 by providing comprehensive and ongoing staff development to teachers so that they will learn and employ effective strategies for reaching children with diverse learning styles and special needs. The funds are allocated to the basis of K-3 enrollment to all public school systems. In FY 08, approximately 49,900 students received reading and math intervention.	-\$6,437,819	-\$6,437,819	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with High Stakes Remediation/LEAP 21 Tutoring is eliminated. The purpose of the LEAP High Stakes Remediation program is to provide the required supplemental remedial instruction to those 4th and 8th grade students who fail to meet the minimum achievement level necessary to be promoted to the 5th or 9th grade. The funds are provided to supplement the cost of providing the required remediation services. During the 07-08 school year, approximately 38,200 4th and 8th graders received tutoring, and approximately 22,300 4th and 8th graders received tutoring in the summer.	-\$16,396,149	-\$16,396,149	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with High School Redesign 9th grade initiative is eliminated. The funding is used to implement 9th individual learning plans to help engage 9th graders in their own learning and to increase promotions to the 10th grade. There were 79 schools participating in FY 08 and FY 09 which served approximately 16,000 students.	-\$1,400,000	-\$1,400,000	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with the Alternative Schools/ MOU program is eliminated. The funding is used to support the districts that were required to obtain private providers according to the Alternative School/MOU agreements designed to improve student performance in the academically unacceptable schools. In the current year, the Department of Education worked with three schools which serve approximately 360 students.	-\$647,338	-\$647,338	0

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19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with the Principal Matching Foundation - New Orleans initiative is eliminated. This program was designed to recruit and develop principals in the Greater Orleans Area. By June of 2008, the New Leaders for New Schools Association had recruited and trained 16 new leaders in New Orleans who are still serving in the New Orleans area.	-\$1,000,000	-\$1,000,000	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The funding associated with Flexible Teacher Pay initiative is eliminated. The funds are provided to rural school districts to provide rewards and incentives to support improved student achievement. The funds are required to be distributed as non-recurring payments, to school building-level certificated personnel. The Department used the definition of rural as contained in Act 216 of 1990. Rural means parishes with less than 100,000 population, or municipalities within the state having less than 25,000 population and the individuals, institutions, communities, etc. found within. These funds were allocated between 54 school systems and 4 charter schools based on student population.	-\$10,000,000	-\$10,000,000	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The SGF associated with St. Mary's Residential School is eliminated. The school provides services to children with developmental disabilities between the ages of 3 to 19 years old. Currently, St. Mary's serves 161 residents and their families.	-\$100,000	-\$100,000	0
19 -681	Elem. & Secondary Educ.	Subgrantee Assistance	The SGF associated with Community Based Tutorial program is eliminated. Federal TANF funding is available for LEAs to partner with community based organizations to operate after school programs. Entities will have to absorb this cut or eliminate services to students. In the current fiscal year, there are approximately 2,400 students that are participating in these after-school programs.	-\$909,177	-\$909,177	0
19 -682	Elem. & Secondary Educ.	Recovery School District	The funding associated with the extended day program in the Recovery School District (RSD) is reduced by half. The program provides additional classroom time for students in the Recovery School District to support students that are 2 years or more behind grade-level. The RSD has \$4.25M in the FY 10 budget to operate the extended day program. Approximately 12,500 students were served in the FY 09 school year.	-\$4,250,000	-\$4,250,000	0
<b>Major Reductions for Elem. &amp; Secondary Educ.</b>				<b>-\$60,504,068</b>	<b>-\$60,504,068</b>	<b>-1</b>
19E-610	LSU Health Care Services Division	LSU HSC-HCSD	Non-recurring funding for the statewide colorectal cancer screening demonstration project. The LA FIT Colon Program (FITCo) was funded by the state of LA for FY 09 with \$1.5M in Statutorily Dedicated funds. The program is administered by LSU HSC School of Public Health, and is a statewide partnership of Federally Qualified Health Centers (FQHCs), community clinics, and the LSU public hospitals. The goal is to screen average risk, uninsured and underinsured LA residents, aged 50-64 years old for colorectal cancer, thereby reducing morbidity and mortality. Expected outcomes include: prevention of and stage shifts in colorectal cancer; saving lives of citizens; and greatly reducing costs of treatment for state hospitals. Additionally, FITCo is addressing statewide capacity problems for colorectal cancer diagnosis. Reducing the funding from \$1.5M in FY 09 to \$350,000 in FY 10 will reduce the number of physicians in the GI Fellowship Program from 2 to 0. Funding at \$350,000 in FY 10 will eliminate resources for equipment purchases and may result in a decrease or elimination of a \$2.4M grant from the Centers for Disease Control (CDC) for this purpose in FY 10.	\$350,000	-\$1,150,000	0
19E-610	LSU Health Care Services Division	LSU HSC-HCSD	Non-recurring funding for the implementation of the tele-health pilot program.	-\$1,500,000	-\$1,500,000	0
19E-610	LSU Health Care Services Division	LSU HSC-HCSD	Elimination of a program that HCSD classifies as pass through for the LSU Family Practice Residency Program at Memorial Hospital.	-\$500,000	-\$500,000	0
19E-610	LSU Health Care Services Division	LSU HSC-HCSD	Non-recurring funding for a flood protection levee at Chabert Medical Center.	\$0	-\$370,000	0

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19E-610	LSU Health Care Services Division	LSU HSC-HCSD	Reduces SGF for nonallowable hospital based programs and converts these programs to school based program. The school based programs can bill the Federal government for physician fees, resulting in a corresponding increase in Federal funding. However, these anticipated Federal funds are not included in the Appropriation Bill, so they are not shown in this record.	-\$3,684,208	-\$3,684,208	0
19E-610	LSU Health Care Services Division	LSU HSC-HCSD	Reduces SGF for non-allowable costs for office space and substitutes activities that receive Federal reimbursements. However, these anticipated Federal funds are not included in the Appropriation Bill, so they are not shown in this record.	-\$2,132,252	-\$2,132,252	0
19E-610	LSU Health Care Services Division	LSU HSC-HCSD	Reduces SGF for Physician Billings and Contract Sharebacks based on re-negotiation of such contracts.	-\$2,546,264	-\$2,546,264	0
<b>Major Reductions for LSU Health Care Services Division</b>				<b>-\$10,012,724</b>	<b>-\$11,882,724</b>	<b>0</b>
20 -451	Other Requirements	Local Housing of State Adult Offenders	\$3.9M reduction in Adult Work Release by reducing the amount the state pays per inmate day by a total of \$3 per inmate day. This amount will be paid from the offender's wages so the Work Release program provider will receive full reimbursement for costs. The state cost per inmate day for work release programs for FY 10 will range from \$12.25 (contract and private) to \$16.39 (non-contract).	-\$3,900,000	-\$3,900,000	0
20 -903	Other Requirements	Parish Transportation Fund	Reduction in Parish Road Program due to a reduction in the Transportation Trust Fund in accordance with the Revenue Estimating Conference 2/18/09 projections.	\$0	-\$1,562,500	0
20 -903	Other Requirements	Parish Transportation Fund	Reduces Statutory Dedicated funding for St. Bernard Parish for mass transit from the Transportation Trust Fund-Regular.	\$0	-\$150,000	0
20 -906	Other Requirements	District Attorneys / Assistant DA	Reduces one-time funding provided in FY 09 for the 15th Judicial District Court District Attorney's Office for youth programs in Acadia and Vermillion Parishes (Special Legislative Project). Statutory Dedication source was Overcollections Fund.	\$0	-\$50,000	0
20 -933	Other Requirements	Governor's Conference & Interstate Compacts	This adjustment reflects a decrease in dues to the Council of State Governments National Office.	-\$82,966	-\$82,966	0
20 -945	Other Requirements	Misc. State Aid - Local Entities	Net reduction in funding (\$17,070,103 SGR and -\$21,878,121 Statutory Dedications) for special legislative projects.	\$17,070,103	-\$4,808,018	0
<b>Major Reductions for Other Requirements</b>				<b>\$13,087,137</b>	<b>-\$10,553,484</b>	<b>0</b>
<b>Major Reductions of FY 2010</b>				<b>-\$788,320,212</b>	<b>-\$2,682,332,833</b>	<b>-888</b>

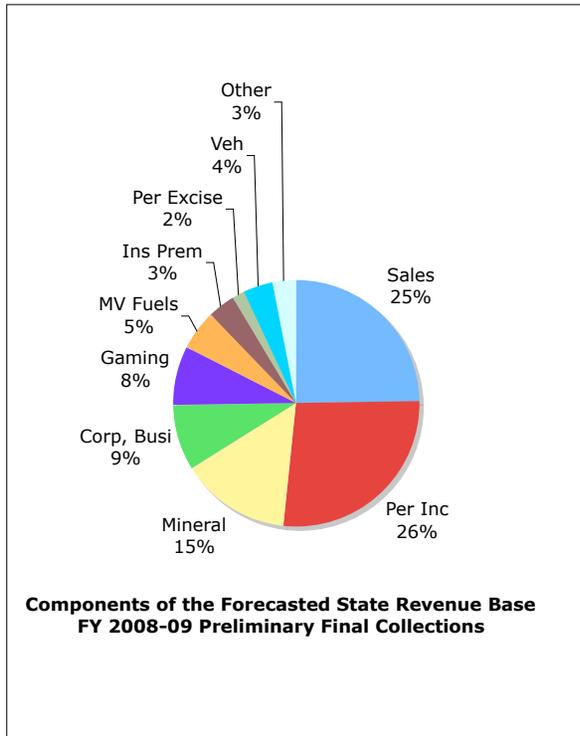
Louisiana Legislative Fiscal Office

## **Section III**

# **BUDGETARY OVERVIEWS**

Fiscal Year 2009-2010

**STATE REVENUE SUMMARY**  
**as of 5/21/09 REC and FY09 Preliminary Final Collections**  
**Oct, 2009**



	\$75 - \$78 \$5.89 - \$6.67 <b>FY09</b> Actual	Oil Price Fcst: Gas Price Fcst: {May'09 REC} Fcst 5/09 <b>Sales</b>	\$53.29 \$3.78 <b>FY10</b> Fcst 5/09	\$65.64 \$4.73 <b>FY11</b> Fcst 5/09	\$68.74 \$5.21 <b>FY12</b> Fcst 5/09	\$65.97 \$5.28 <b>FY13</b> Fcst 5/09
<b>2,762.5</b>	<b>2,971.1</b>	<b>2,613.5</b>	<b>2,644.5</b>	<b>2,716.5</b>	<b>2,809.4</b>	
<b>1,613.0</b>	<b>Per Inc</b>	<b>2,558.4</b>	<b>2,681.4</b>	<b>2,751.4</b>	<b>2,883.4</b>	
<b>974.5</b>	<b>Mineral</b>	<b>1,281.1</b>	<b>1,361.5</b>	<b>1,456.5</b>	<b>1,455.0</b>	
<b>863.0</b>	<b>Corp, Busi</b>	<b>651.9</b>	<b>548.0</b>	<b>628.6</b>	<b>681.6</b>	
<b>590.5</b>	<b>Gaming</b>	<b>860.0</b>	<b>863.0</b>	<b>866.0</b>	<b>868.0</b>	
<b>415.1</b>	<b>MV Fuels</b>	<b>592.0</b>	<b>595.0</b>	<b>610.0</b>	<b>625.0</b>	
<b>375.6</b>	<b>Veh</b>	<b>363.6</b>	<b>405.5</b>	<b>442.9</b>	<b>463.2</b>	
<b>209.4</b>	<b>Ins Prem</b>	<b>400.8</b>	<b>425.2</b>	<b>442.9</b>	<b>460.7</b>	
<b>347.1</b>	<b>Per Excise</b>	<b>202.0</b>	<b>201.6</b>	<b>201.3</b>	<b>201.0</b>	
<b>11,121.9</b>	<b>Other</b>	<b>321.5</b>	<b>306.5</b>	<b>291.8</b>	<b>271.8</b>	
<b>(1,764.6)</b>	<b>Total</b>	<b>9,844.8</b>	<b>10,032.2</b>	<b>10,407.9</b>	<b>10,719.1</b>	
<b>9,357.3</b>	<b>Dedications</b>	<b>(1,784.8)</b>	<b>(1,817.4)</b>	<b>(1,862.2)</b>	<b>(1,889.3)</b>	
(849.2)	<b>General Fund</b>	<b>8,060.0</b>	<b>8,214.8</b>	<b>8,545.7</b>	<b>8,829.8</b>	
-8.0%	(millions \$)	(1,297.3)	154.8	330.9	284.1	
		-13.9%	1.9%	4.0%	3.3%	

**Pre-Katrina/Rita: Path Looked Good**

FY04 experienced 5.2% / \$411 million of revenue growth (\$368.5m general fund).  
FY05 experienced 10.9% / \$905 million of revenue growth, with good trends across the board: mineral revenue +\$243m, corporate taxes +\$211m, personal income tax +\$209m, sales tax +\$173m; (\$626.0m general fund)

**STATE REVENUE SUMMARY**  
**as of 5/21/09 REC and FY09 Preliminary Final Collections**  
**Oct, 2009**

**Post-Katrina/Rita: Revenues Surged**

	<u>FY06 Growth</u>	<u>FY07 Growth</u>	<u>FY08 Growth</u>	<u>Growth Rates</u>	
Sales Tax	485.6	92.5	9.1	19% / 3% / 0.3%	storm recovery / boom over / spending slows to standstill
Corporate	139.5	283.8	(112.7)	22% / 37% / -11%	oil & dollar / oil & dollar / economy & borrowed capital (O&G sectors & exporters)
Personal Income	111.3	745.1	(88.4)	5% / 30% / -3%	- tax deferrals & + withholds / catch-up, jobs, wages / boom over & itemize give-back
Gaming	81.5	35.9	15.7	11% / 4% / -3%	spending & worker influx / boom over / more slowing
Mineral	(14.9)	277.3	425.1	-1% / 23% / 28%	1st yr shut-ins / prod restored & \$30+ price rise / energy prices peak July'08
Motor Fuels	17.3	13.6	(6.6)	3% / 2.3% / -1.1%	storm recovery requires transportation / but price spike hit hard in FY08
Interest & Premiums	26.8	143.9	98.6	11% / 54% / 24%	big fund balances, premium increases, tax credits phase down
TLF Growth	808.4	1,660.1	367.4		FY06: sales tax step-up
SGF Growth	909.0	1,379.5	500.2		FY07: income tax step-up
% Growth	8.8%	16.6%	3.1%		FY08: mineral receipts step-up

**FY09: Recession Arrives**

	<u>\$ Growth</u>	<u>% Growth</u>	
Sales Tax	(165.0)	-5.1%	By 2nd half of FY09 U.S./world recession had arrived; job growth negative, unemployment rising, LA households retrenching.
Corporate	(114.5)	-12.2%	Weak dollar can't offset energy price pullback, U.S./global recession, and borrowed capital phase-out.
Personal Income	(202.6)	-6.4%	Base more resilient than expected, but can't offset weakening job market and excess itemized give-back.
Gaming	(25.2)	-2.8%	Modest combined industry decline but spending weakness in boats, land-based, lottery, and video poker.
Mineral	(395.4)	-19.7%	Price declines from summer 2008 peak cuts revenue from FY08. Oil still historically strong, but gas is weak.
Motor Fuels	(9.8)	-1.6%	Economic slowdown means less transportation fuel consumption
Interest & Premiums	(19.6)	-3.5%	Fund balances decline, and tax credit phase-downs can't offset less premium base growth as Katrina/Rita effect fades.
TLF Growth	(937.2)	-7.8%	
SGF Growth	(811.8)	-8.0%	

**FY10 - FY13**

Final collections for FY09 look fairly close to forecast. While individual revenue sources over and under performed relative to forecast in FY09, and these errors will be accounted for in the FY10 - FY13 forecast revisions, the overall bottomline forecasts for those years don't seem likely to materially change simply on the basis of FY09 performance. However, updated assessments of national and state level economic conditions will also play a role in future forecast revisions. While national assessments seem to be calling the end of the recession, there is still likely to be a long period of slow recovery before strong economic performance occurs. National unemployment rates will likely continue to climb for some time, and state rates will likely follow. Household and business spending retrenchment is also likely to continue for some time. On the positive side, oil prices finished above forecast for FY09 and have remained above forecast for FY10, although natural gas prices have been largely below forecast. Some increase in mineral revenue forecast is possible for FY10, but can be offset by downward revisions to spending and income based revenues such as sales tax and income tax. Even if the FY10 forecast is eventually improved on net, overall collections will be materially lower in FY10 relative to FY09.

The forecasts for FY11 - FY13 already anticipate economic recovery (and incorporate higher energy prices). Upward revisions to these are possible in the future, depending on the strength of recovery but, barring dramatic events, large revisions are unlikely. A variety of tax reductions enacted in 2007 and 2008 are built into the current forecasts, with material effects still to come from the borrowed capital phase-out in the franchise tax (\$112 million by FY10, \$160 million total per year by FY11), business sales tax eliminations (\$250 million starts FY10), personal income tax excess itemized deduction give-back (\$118 million phase-3 FY10, \$300 million per year full effect), bracket expansion (\$360 million FY10 & \$250 million per year after that), and school tuition, uniform & supplies deduction (\$20 million starting FY10). Various tax reductions enacted in the 2009 session have not yet been incorporated into these forecasts. The FY10 effect is small (\$7 million) and accounted for in the state budget, with growing impacts to be built into subsequent years (as much as \$38 million FY10, \$54 million FY11, \$69 million FY12, \$84 million FY13).

Once revenues begin to grow again and reach certain thresholds, dedications to the NOW program (1st \$50 million of revenue growth claimed), the TTF (\$300+ million at full phase-in but not triggered in current outlook), and to parishes from state mineral revenue (\$35 million in FY12, then \$60 million per year thereafter if adopted by electorate) become potentially effective, diverting resources from the general fund. These effects have also not yet been incorporated into the revenue forecasts.

**Upside potential:** Oil prices stay strong in \$70+/\$bbl range while national/global recovery is materially stronger/quicker than expected, with comparable response by the LA economy.

**Downside risks:** National/global recovery very slow. LA lags recovery more than typical. Consumer/business spending retrenchment deep. High energy prices restrain recovery.

## STATE EXPENDITURE LIMIT FY 10

Article VII, §10.C and R.S. 39:33.1 establish and provide for the annual State Expenditure Limit. Appropriations from the SGF and dedicated funds shall not exceed the limit for the fiscal year. SGF and dedicated funds are defined in Article VII, §10.J, and excludes funds of federal origin, higher education self-generated revenue, transfers between state agencies, boards or commissions, and the constitutional parish severance tax and royalty allocations. Funds handled by the state in a fiduciary capacity are also excluded. The limit is determined during the first quarter of the calendar year for the next fiscal year as the current limit multiplied by the average positive growth of LA personal income over the three prior calendar years. The limit for a fiscal year may be changed by a specific legislative instrument receiving a 2/3 favorable vote of each house. The limit for each year is established at one point and is not recalculated at later times. To date, legislative changes in the limit have applied to specific appropriations in the year in which the change was made and have not affected the calculation of the limit for subsequent years. Act 734 of 2008 clarified the calculation of the growth factor, which will result in slightly smaller expenditure limits in subsequent years than would otherwise have occurred.

Expenditure Limit for FY 09	\$12,294,590,333
Growth Factor (average annual growth in LA personal income 2006 – 2008)	13.25%
<b>Expenditure Limit For FY 10</b>	<b>\$13,923,623,553</b>
Appropriations Subject To The Limit	\$11,183,253,996
<b>Appropriations Over / (Under) The Limit</b>	<b>(\$2,715,486,918)</b>

At the beginning of FY 10, appropriations subject to the expenditure limit are under the limit by some \$2.715B. In the absence of a specific increase in the limit by the legislature, this represents the maximum amount that these appropriations can be increased during this fiscal year, including appropriations approved by the Interim Emergency Board (IEB). Pending final determination of the IEB allocation for this fiscal year (typically available in October each year), the prior year allocation of \$24.9M may be considered as reserved against the available amount of limit above.

**2008 Surplus Appropriations  
Act 20 (HB 2) and Act 122 (HB 881) of 2009**

Act 20 (HB 2) not only appropriates the state's construction projects, but also appropriates approximately \$782.3M of FY 08 surplus funding for various projects. The Revenue Estimating Conference (REC) recognized approximately \$865.7M of prior year SGF surplus of which \$67.4M by law must be deposited into the Budget Stabilization Fund. These surplus monies are subject to the spending limitations listed in the constitution (Article VII, Section 10), which are as follows:

- a.) Retiring or for the defeasance of bonds in advance or in addition to the existing amortization requirements of the state;
- b.) Providing for payments against the unfunded accrued liability of the public retirement systems;
- c.) Providing for capital outlay projects in the comprehensive state capital budget;
- d.) Providing for allocation or appropriation for deposit into the Budget Stabilization Fund;
- e.) Providing for allocation or appropriation for deposit into the Coastal Protection and Restoration Fund;
- f.) Providing for new highway construction for which matching funds are available.

Below is a project list of the items funded with the FY 08 recognized SGF surplus.

DEPT	APP. NAME	TOTAL	Description of Item
01-107	DOA	\$7,500,000	State Emergency Shelters
01-124	LSED	\$85,000,000	Superdome
04-139	Sec. of State	\$2,000,000	Old State Capitol Renovations
04-160	AGRI	\$15,000,000	Act 122 - FY 08 Surplus for LAFA Debt
05-252	LED	\$1,835,000	Homeland Security & Environmental Technical Cntr. Acquisition & Renovation, Planning & Construction
05-252	LED	\$2,000,000	Infrastructure for Cluster Development
05-252	LED	\$7,000,000	Bulk Grain Elevator
06-A20	NO City Park	\$50,000	Construction Maintenance Facility
07-270	DOTD	\$400,000	Turn Lanes on LA 3125 at LA 3274
07-270	DOTD	\$2,000,000	US 371 Improvements (Passing Lanes), Planning & Construction
07-270	DOTD	\$10,000,000	Common Street (Airport Service Rd - Petro Point Dr)
07-270	DOTD	\$20,000,000	I-49 from I-220 in the City of Shreveport to Arkansas Line, Lafayette to Westbank Expressway, Construction Right of Way & Utilities
07-270	DOTD	\$3,000,000	Homer Bypass
07-270	DOTD	\$2,500,000	Port of Lake Charles Access Road, Planning & Construction
07-270	DOTD	\$2,500,000	West Prien Road Realignment, Planning, Right of Way, Utilities & Construction
07-270	DOTD	\$3,365,000	LA 3034 Improvements
07-270	DOTD	\$163,977,466	Highway Program Up to \$4M for Secretary's Emergency Fund

07-270	DOTD	\$45,000	LA Highway 616
07-270	DOTD	\$300,000	US 167 Corridor Study
07-270	DOTD	\$4,000,000	Pecue Lane interchange
07-270	DOTD	\$4,000,000	I-12 O'Neal Lane to Walker Widening
07-274	DOTD	\$300,000	Morganza to Gulf of Mexico Flood Control Feasibility Study
07-274	DOTD	\$150,000	Poverty Point Reservoir
07-274	DOTD	\$3,307,534	Port Construction & Development Priority Program
07-274	DOTD	\$6,040,000	Lower Mississippi Port-wide Strategic Security Council
07-276	DOTD	\$700,000	Peters Road On & Off Ramps
09-332	Eastern LA MH Sys.	\$495,000	Center Building & Fire Alarm System Renovation
11-435	DNR	\$290,000,000	Coastal Restoration & Management Projects in accordance with the Coastal Protection Plan
19-601	LSU	\$3,000,000	Band Hall Planning & Construction
19-601	LSU	\$300,000	Choppin Hall Annex
19-602	LSUA	\$500,000	Drainage Outfall Improvements
19-603	UNO	\$6,630,000	Library 4th Floor Completion Information
19-605	LSUE	\$12,200,000	Classroom Community Education Building, Planning, Acquisitions & Construction
19-609	Pennington	\$11,000,000	New Clinical Research Facility, Planning & Construction
19-616	SUBR	\$2,910,000	Provide localized boilers and replace chilled water loop
19-617	SUNO	\$1,900,000	Replace chilled water and high temperature water lines
19-621	Nicholls	\$2,355,000	Electrical upgrade phase 3
19-625	LA Tech	\$6,000,000	LA Tech Research Park, Real Estate Acquisition
19-627	McNeese	\$1,975,000	Fieldhouse Renovations & Addition
19-627	McNeese	\$6,200,000	Frasch Hall Annex Repairs
19-627	McNeese	\$3,100,000	Kaufman Hall Renovation & Repairs
19-629	ULM	\$2,200,000	Campus Security Project
19-629	ULM	\$100,000	Sandel Hall Renovation
19-631	Northwestern	\$9,450,000	East Caspari Hall Renovation & West Caspari Hall Replacement for Student Services
19-634	SLU	\$10,000,000	Department of Kinesiology, Health Studies & College of Nursing
19-640	ULL	\$6,400,000	Early Childhood Development Center, Planning & Construction
19-640	ULL	\$3,150,000	Girard Hall Renovation
19-640	ULL	\$1,500,000	Fletcher Hall Exterior Repairs
19-671	Board of Regents	\$1,000,000	Jefferson West Learning Center, Land, Acquisition
19-731	L.E. Fletcher Technical Community Cntr.	\$5,100,000	Diesel Marine, Welding & Transportation Building
23-949	LA Judiciary	\$45,000	New courthouse for the LA Court of Appeal
36-L10	Orleans Levee District	\$50,000	Beautification & Maintenance Projects

36-P03	Greater BR Port Commission	\$6,000,000	Maritime Security Operations Center
36-P21	Port of South LA	\$1,000,000	Dock Access Bridge
36-P21	Port of South LA	\$4,000,000	Dock Planning & Construction
36-P21	Port of South LA	\$18,000,000	General Cargo Dock Installation
50-J03	Ascension Parish	\$50,000	Oak Grove Community & Recreational Center
50-j11	Caldwell Parish	\$65,000	Wiles Road Reconstruction
50-J23	Iberia Parish	\$1,260,000	Wastewater Treatment Plant at Acadiana Regional
50-J23	Iberia Parish	\$300,000	LeMaire Memorial Airport
50-J24	Iberville Parish	\$180,000	North Iberville Community Center
50-J26	Jefferson Parish	\$75,000	Terry Parkway Drainage Between Carol Sue Drive
50-J26	Jefferson Parish	\$750,000	Woodmere Community Center
50-J26	Jefferson Parish	\$2,000,000	Bayou Segnette Festival Park
50-J26	Jefferson Parish	\$25,000	B & C Canal Bank Stabilization
50-J26	Jefferson Parish	\$45,000	Canal Street Roadway Reconstruction & Installation of Subsurface Drainage Between I-10 & Lake Avenue
50-J26	Jefferson Parish	\$100,000	Jefferson Community Health Center
50-J26	Jefferson Parish	\$25,000	Jefferson Parish Housing Authority Street
50-J28	Lafayette Parish	\$350,000	Kaliste Saloom Widening
50-J33	Madison Parish	\$175,000	Courthouse Renovations
50-J38	Plaquemines Parish	\$20,000	Belle Chase Water Tower
50-J38	Plaquemines Parish	\$25,000	Sheriff's Training Center
50-J39	Pointe Coupee Parish	\$45,000	Sheriff's Office Work Release Program
50-J46	St. Helena Parish	\$50,000	Fire Station
50-J47	St. James Parish	\$150,000	Judicial Building
50-J50	St. Martin Parish	\$450,000	I-10 Frontage Road, LA 328 to LA 347, Planning & Construction
50-J57	Vermilion Parish	\$1,200,000	Vermilion Parish Road Improvements
50-J59	Washington Parish	\$10,000	Animal Shelter
50-J59	Washington Parish	\$50,000	Isabel Swamp Road
50-J61	WBR Parish	\$3,000,000	LA 415 Bridge at Intracoastal Canal
50-M02	Abita Springs	\$30,000	Water Lines
50-M20	Baton Rouge	\$75,000	New Facility for Pride Volunteer Fire Department
50-M64	Dequincy	\$50,000	Sewer Rehabilitation
50-M90	Folsom	\$20,000	Road & Street Repairs
50-MD5	Independence	\$20,000	Sewerage Improvements
50-ME3	Jena	\$30,000	Downtown Revitalization for the town of Jena
50-ME8	Kaplan	\$300,000	Public Safety Complex
50-MF2	Kentwood	\$20,000	Recreational Facility
50-MG8	Livonia	\$75,000	Emergency Evacuation Shelter
50-MJ2	Mermentau	\$750,000	Flood Protection Control Structure Improvements
50-MJ6	Monroe	\$400,000	I-20 Interchange Improvement and Kansas Garrett Connector, Kansas Lane Connector, Planning & Construction
50-MK2	Morgan City	\$450,000	Martin Luther King Jr. Blvd

50-ML1	New Iberia	\$950,000	Frontage Road Improvements
50-ML3	New Orleans	\$100,000	Milne Boys Home
50-ML3	New Orleans	\$30,000	Algiers Regional Library
50-ML3	New Orleans	\$50,000	Historic Algiers Courthouse Renovation
50-ML3	New Orleans	\$50,000	New Orleans Recreation Department
50-MM5	Olla	\$50,000	Potable Water Reservoir
50-MM9	Patterson	\$2,200,000	Catherine Street Paving & Drainage
50-MO8	Rayville	\$450,000	Frontage Road, North Side Loop, West Leg
50-MQ3	St. Francisville	\$100,000	Drainage Canal Improvements
50-MS8	Stonewall	\$45,000	Rural Medical Facility
50-MT1	Sun	\$20,000	Town Hall Renovations
50-MU5	Vinton	\$920,000	Extension of Center Street Bridge & Entrance Road Economic Development Project
50-MV4	Westwego	\$350,000	Park Land improvements
50-MV4	Westwego	\$1,300,000	Sala Avenue Street & Infrastructure Improvements
50-MW2	Youngsville	\$2,700,000	Highway 92 Realignment Near Youngsville
50-MW6	St. Gabriel	\$750,000	Turn Lanes on Highway 30
50-MW8	Central	\$50,000	Administration Building
50-N03	Audubon Institute	\$2,500,000	Audubon 2000 Renovations
50-N51	NO Jazz & Heritage Festival	\$150,000	Renovation & Addition to Current Building
50-N71	North Lafourche Conservation Levee & Drainage Dist.	\$50,000	Lockport & Larose Levee & Parr Pump Station Improvements
50-N98	Kingsley House	\$200,000	House Renovations
50-NA2	Lafayette Airport Commission	\$1,000,000	Construction of a Concrete Apron & Taxiway
50-NAS	Pointe Coupee Fire District #44	\$100,000	Fire Station
50-NBT	Dist. 2 Enhancement Corp.	\$300,000	Community Development & Beautification Project
50-NC2	BREC	\$345,000	Anna T. Jordan Site & Facility Improvements
50-NDT	LSU Health Science Foundation-Shreveport	\$5,000,000	Children's Hospital Planning
50-NFL	Bogalusa YMCA	\$10,000	Master Planning
50-NHH	Christus Coughatta Health Care Center	\$110,000	Facility Roof
50-NIU	Family Counseling Agency, Inc	\$300,000	Facility
50-NJD	Franklin Parks & Recreation Advisory Board	\$20,000	Multi-purpose Recreation Facility
50-NJY	East Columbia Water District	\$55,000	Water System Improvements

50-NKC	Webster Voluntary Council on Aging	\$140,000	New Building for Webster Voluntary
50-NML	Gretna Police Dept.	\$50,000	Crime Cameras
50-NMA	St. Charles Community Health Center	\$350,000	Public Health Facility
50-NNB	Professional Specialties	\$300,000	USDA Licensed Veterinary Biologic Facility
50-NU8	Multicultural Tourism Commission	\$45,000	CC Antoine Museum & Arts Center
<b>TOTAL</b>		<b>\$797,290,000</b>	

## 2009 Regular Legislative Session – Major Funds Bills

Act 226 (HB 802), Act 122 (HB 881), Act 519 (HB 720) and HCR 236 of 2009 all play a role in crafting the FY 10 budget as well as determining the amount of revenues available for expenditure in FY 10 and what those specific expenditures are as of 7/1/09. Below is a chart that summarizes the results of these various legislative measures.

### **Total FY 10 Revenue Available:**

State General Fund (5/21/2009) (REC)	\$8,059,900,000
Incentive Fund Transfer (Act 226)	\$3,900,000
Budget Stabilization Fund (HCR 236)	\$86,177,032
Insure LA Incentive Program Fund Transfer (Act 226)	\$75,587,322
Enacted Regular Session Tax Credits	(\$8,000,000)
FY 08 Surplus (Act 20 & Act 122)	\$782,290,000
Rapid Response Fund Transfer (Shaw Inducements) (Act 226)	\$13,500,000
<b>Total FY 10 SGF Revenue Available</b>	<b>\$9,013,354,354</b>

### **FY 10 Appropriated Expenditures:**

Non-Appropriated Requirements	\$433,349,119
General Appropriations (Act 10 & Act 122)	\$7,582,549,737
Ancillary Appropriations (Act 40)	\$0
Judicial Expenditures (Act 50)	\$132,362,434
Legislative Expenditures (Act 60)	\$68,628,359
Capital Outlay-Cash (Act 20)	\$794,318,000
<b>Total FY 10 SGF Appropriated Expenditures</b>	<b>\$9,011,207,649</b>

**FY 10 SGF Revenue Less FY 10 SGF Appropriations** **\$2,146,705**

Legislative actions made approximately \$9.01B SGF available for appropriation in FY 10. Appropriations as of 7/1/09 left approximately \$2.1M of FY 10 unappropriated SGF available for appropriation.

NOTE: The Capital Outlay Cash portion presented above includes \$782.3M from the FY 08 surplus and \$12.03M of FY 10 SGF appropriated within Act 20 (HB 2). The total FY 08 surplus amount appropriated is \$797.3M, of which \$15M is appropriated in Act 122 within the FY 09 appropriated section of the Act and it is not accounted for in the tables above as those tables only depict FY 10 SGF.

Below is a summary of the legislative measures mentioned above and the various fiscal impacts upon the FY 09 and FY 10 budget. Included within Act 122 is FY 09 and FY 10 appropriations, which are in addition to FY 10 appropriations contained within Act 10. Also included within this bill summary are the appropriations and projected ending FY 10 fund balances for the Overcollections Fund and the State Emergency Response Fund (SERF) as well as a discussion of the modifications to the replenishment of the Budget Stabilization Fund in accordance with the provisions contained within Act 226.

### **Act 226 (HB 802)**

Act 226 of 2009 is the funds bill that provides for various fund transfers including fund deposits associated with the FY 09 Deficit Reduction Plan, modifications to the replenishment of the Budget Stabilization Fund and the creation of additional statutory dedicated funds. Overall, Act 226 transferred a total of \$242,064,232 SGF into various statutory dedicated funds appropriated in FY 09 and FY 10.

Below is a summary of the total statutory dedicated fund impact of Act 226, which includes SGF transfers from various funds into the SGF in the amount of \$24.4M in accordance with the FY 09

Deficit Reduction Plan. The negative numbers below represent the amount of funding transferred from the specific statutory dedicated fund to another statutory dedicated fund or to the SGF.

**TOTAL STATUTORY DEDICATED FUND IMPACT AS A RESULT OF ACT 226:**

(\$1,500)	DNA Testing Post-Conviction Relief for Indigents
(\$332,673)	State Parks Improvement & Rapid Fund
(\$47,500)	Poverty Point Reservoir Development Fund
(\$2,500)	Audubon Golf Trail & Development Fund
(\$15,625)	Higher Education Initiatives Fund
(\$33,861)	LA Charter School Startup Loan Fund
(\$439,117)	LA Technology Innovations Fund
(\$32,750)	St. Landry Parish Excellence Fund
(\$30,000)	Calcasieu Parish Fund
(\$528,245)	Tobacco Tax Health Care Fund
(\$38,500)	Bossier Parish Truancy Fund
(\$149,682)	LA Economic Development Fund
(\$297,869)	Small Business Surety Bonding Fund
(\$8,223)	Entertainment Promotion & Marketing Fund
(\$118,273)	Marketing Fund
(\$5,854,994)	Rapid Response Fund
(\$2,341,787)	Video Draw Poker Device Fund
(\$176,329)	Video Draw Poker Purse Supplemental Fund
(\$127,437)	Pari-mutuel Live Racing Facility Gaming Control Fund
(\$10,000)	Beautification/Improvement New Orleans City Park Fund
(\$5,000)	Algiers Economic Development Foundation Fund
(\$27,800)	2% Fire Insurance Fund
(\$176,201)	Administrative Fund - DOI
(\$60,319)	DOJ Legal Support Fund
(\$548,604)	DOJ Debt Collection Fund
(\$1,800)	Greater New Orleans Expressway Commission
(\$671,732)	Office of Workers' Compensation Administration
(\$2,387,671)	Labor - Incumbent Worker Training Account
(\$3,464,550)	Employment Security Administration Account
(\$134,889)	Labor - Penalty & Interest Account
(\$277,388)	Oilfield Site Restoration Fund
(\$18,561,095)	Mineral Resource Operation Fund
(\$1,487,957)	Oil & Gas Regulatory Fund
(\$3,367,236)	LA Fire Marshal Fund
(\$6,544)	Motorcycle Safety & Training Fund
(\$30,247)	DWI Testing, Maintenance & Training Fund
(\$17,655)	Concealed Handgun Permit Fund
(\$404,621)	Right to Know Fund
(\$39,714)	LP Gas Commission Rainy Day Fund
(\$5,790)	Explosives Trust Fund
(\$564,993)	OMV Customer Service Technology Fund
(\$650,479)	LA Life Safety & Property Protection Fund
(\$2,525)	Oyster Sanitation Fund
(\$100)	Keep LA Beautiful Fund
(\$38,200)	Indigent Parent Representation Program Fund
(\$12,500)	Evangeline Parish Recreational District Fund
(\$5,810)	Shreveport Riverfront & Convention Center & Independence Fund

(\$209,752)	Oil Spill Contingency Fund
(\$38,760)	Drug Abuse Education & Treatment Fund
(\$299,349)	LA Environmental Education Fund
(\$350,269)	LA Manufactured Housing Commission
\$71,703,354	Overcollections Fund
(\$1,443,029)	LA Public Defender Fund
(\$500,000)	Community Water Enrichment Fund
(\$3,260,221)	Conservation Fund
(\$18,399)	Seafood Promotion & Marketing Fund
(\$5,000)	Fur & Alligator Education - Marketing Fund
(\$100,821)	LA Alligator Resource Fund
(\$1,800)	Natural Heritage Account
(\$380)	LA Reptile / Amphibian Research Fund
(\$9,185)	Oyster Development Fund
(\$9,256)	Shrimp Marketing & Promotion Account
(\$2,180)	Conservation of the Black Bear Account
(\$26,000)	Public Oyster Seed Ground Development Account
(\$13,400)	Shrimp Trade Petition Account
(\$250)	Crab Promotion & Marketing Account
(\$1,981)	Derelict Crab Trap Removal Program Account
(\$41,592)	Motor Carrier Regulation Fund
(\$3,727,016)	Utility & Carrier Inspection / Supervision Fund
(\$231,929)	Telephonic Solicitation Relief Fund
(\$8,470)	Education Excellence Fund
(\$75,587,322)	Insure LA Incentive Program Fund
(\$4,900,000)	Incentive Fund
\$315,500,000	Medical Assistance Trust Fund (MATF)
(\$90,000,000)	Coastal Protection & Restoration Fund
\$90,000,000	State Emergency Response Fund (SERF)
(\$259,850)	Municipal Fire & Police Civil Service Operating Fund
(\$1,763,055)	Rural Development Fund
(\$131,870)	Casino Gaming Proceeds Fund
(\$123,291)	Underground Damages Prevention Fund
(\$1,672)	Pet Overpopulation Fund
(\$1,568,613)	Insurance Fraud Fund
(\$37,951)	Tobacco Regulation Enforcement Fund
(\$191,317)	Lead Hazard Reduction Fund
(\$50,000)	Manufactured Home Fairness Fund
(\$26,815)	Agricultural Products Processing Development Fund
(\$5,472)	General Aviation & Reliever Maintenance Grant Program Fund
(\$2,871)	Railroad Crossing Safety Fund
(\$4,373)	School & District Accountability Rewards Fund
(\$29,240)	Teacher Educational Aid for Children Fund
(\$228,101)	Variable Earnings Transaction Fund
(\$202,861)	Fraud Detection Fund
(\$100,026)	Vital Records Conversion Fund
(\$5,039,138)	LA Health Care Redesign Fund
(\$709,266)	Compulsive and Problem Gaming Fund
(\$338,694)	<u>Director of Workers' Compensation Revolving Fund</u>
<b>\$242,064,232</b>	<b>TOTAL STATUTORY DEDICATED FUND IMPACT</b>

The \$315.5M of FY 09 SGF transferred into the Medical Assistance Trust Fund (MATF) is from FY 09 SGF savings as a result of federal stimulus monies earned in FY 09. The \$315.5M deposited into the MATF will be utilized in subsequent fiscal years to assist with projected shortfalls in the Medicaid Program as a result of those stimulus monies being depleted by FY 11 (enhanced FMAP ends 12/31/10). The FY 09 SGF savings was approximately \$344.5M, which is reflected within Act 122. However, \$29M of this amount was deposited into the Overcollections Fund for non-health care expenditures in FY 09 and FY 10.

Below is a listing of sources, dispositions and **SGF impact** as a result of Act 226:

\$75,587,322	Transfer from the Insure LA Incentive Program Fund to the SGF
\$3,900,000	Transfer from the Incentive Fund to the SGF
\$24,378,056	Transfer from various statutory dedicated funds in accordance with FY 09 Deficit Reduction Plan
(\$315,500,000)	Transfer FY 09 SGF into the Medical Assistance Trust Fund (MATF)
(\$29,000,000)	Transfer FY 09 SGF into the Overcollections Fund
(\$10,000,000)	Requires the state treasurer to exclude the unexpended balance of the Rapid Response Fund – accounted for within the adopted revenue forecast
\$13,500,000	Transfer from the Rapid Response Fund to the SGF
(\$4,929,610)	Transfer FY 09 SGF into the Overcollections Fund
<b>(\$242,064,232)</b>	<b>TOTAL</b>

Below is a table that summarizes all legislative actions contained within Act 226. The items highlighted in gray were effective 7/1/09 (FY 10), while the other items were effective upon the signature of the governor, or 6/30/09 (FY 09).

SECTION #	GEN. FUND	STAT. DED.	Description of Item
Section 1	\$0	\$0	Budget Stabilization Fund - language authorizes that the fund will not repaid until adopted revenue forecast exceeds FY 08 actual.
Section 1	\$0	\$0	Creates the Hurricane Recovery Health Insurance Premium Fund
Section 1	\$0	\$0	Creates the Center of Excellence For Autism Spectrum Disorder Fund
Section 1	\$0	\$0	Creates the Walking The Walk For Our Kids Fund
Section 1	\$0	\$0	Creates the Technology Commercialization Fund
Section 1	\$0	\$0	Creates the Statewide Education Facilities Fund
Section 2	\$0	\$0	Adds an additional usage of the Vermilion Parish Visitor Enterprise Fund
Section 3	\$0	\$0	Repeals the Insure LA Incentive Program Fund in Title 22
Section 4	\$75,587,322	(\$75,587,322)	Abolishes the Insure LA Incentive Program Fund and directs treasurer to transfer to SGF
Section 5	\$3,900,000	(\$3,900,000)	Transfer from the Incentive Fund monies to the SGF
Section 6	\$24,378,056	(\$24,378,056)	FY 09 Deficit Reduction Plan
Section 7	\$0	\$0	Transfer \$408,484 from LA Technology Innovation Fund to Overcollections Fund
Section 8	(\$315,500,000)	\$315,500,000	Transfer SGF to MATF
Section 9	(\$29,000,000)	\$29,000,000	Transfer SGF to Overcollections

Section 10	\$0	\$0	Transfer \$90M from Coastal Protection and Restoration Fund to the SERF
Section 11A	(\$10,000,000)	\$10,000,000	Rapid Response Language change – already accounted for in the revenue forecast
Section 11B	\$13,500,000	(\$13,500,000)	Transfer from Rapid Response Fund to SGF
Section 12	(\$4,929,610)	\$4,929,610	Transfer SGF to Overcollections Fund
Section 13A	\$0	\$0	Transfer \$259,850 from Municipal Fire and Police Civil Service Operating Fund to Overcollections Fund
Section 13B	\$0	\$0	Transfer \$1,763,055 from the Rural Development Fund to the Overcollections Fund
Section 13C	\$0	\$0	Transfer \$131,870 from the Casino Gaming Proceeds Fund to the Overcollections Fund
Section 13D	\$0	\$0	Transfer \$123,291 from the Underground Damages Prevention Fund to the Overcollections Fund
Section 13E	\$0	\$0	Transfer \$2,912,880 from the LA Fire Marshal Fund to the Overcollections Fund
Section 13F	\$0	\$0	Transfer \$623,144 from the LA Fire Safety & Property Protection Trust Fund to Overcollections Fund
Section 13G	\$0	\$0	Transfer \$400,062 from the Right to Know Fund to the Overcollections Fund
Section 13H	\$0	\$0	Transfer \$1,672 from the Pet Overpopulation Fund to the Overcollections Fund
Section 13I	\$0	\$0	Transfer \$319,303 from the LA Manufactured Housing Commission Fund to the Overcollections Fund
Section 13J	\$0	\$0	Transfer \$1,568,613 from the Insurance Fraud Investigation Fund to the Overcollections Fund
Section 13K	\$0	\$0	Transfer \$253,362 from the LA Environmental Education Fund to the Overcollections Fund
Section 13L	\$0	\$0	Transfer \$18M from the Mineral Resources Operation Fund to the Overcollections Fund
Section 13M	\$0	\$0	Transfer \$1M from the Oil & Gas Regulatory Fund to the Overcollections Fund
Section 13N	\$0	\$0	Transfer \$37,951 from the Tobacco Regulation Enforcement Fund to the Overcollections Fund
Section 13O	\$0	\$0	Transfer \$191,317 from the Lead Hazard Reduction Fund to the Overcollections Fund
Section 13P	\$0	\$0	Transfer \$50,000 from the Manufactured Home Fairness Fund to the Overcollections Fund
Section 13Q	\$0	\$0	Transfer \$3,362,936 from the Utility & Carrier Inspection & Supervision Fund to the Overcollections Fund
Section 13R	\$0	\$0	Transfer \$215,610 from the Telephonic Solicitation Relief Fund to the

			Overcollections Fund
Section 13S	\$0	\$0	Transfer \$143,538 from the DOI Administrative Fund to the Overcollections Fund
Section 13T	\$0	\$0	Transfer \$26,815 from the Agricultural Products Processing Development Fund to the Overcollections Fund
Section 13U	\$0	\$0	Transfer \$507,369 from the DOJ Debt Collection Fund to the Overcollections Fund
Section 13V	\$0	\$0	Transfer \$5,472 from the General Aviation and Reliever Airport Maintenance Grant Program to Overcollections Fund
Section 13W	\$0	\$0	Transfer \$2,871 from the Railroad Crossing Safety Fund to the Overcollections Fund
Section 13X	\$0	\$0	Transfer \$4,373 from the School & District Accountability Rewards Fund to the Overcollections Fund
Section 13Y	\$0	\$0	Transfer \$29,240 from the Teacher Educational Aid for Children Fund to the Overcollections Fund
Section 13Z	\$0	\$0	Transfer \$228,101 from the Variable Earnings Transaction Fund to the Overcollections Fund
Section 13AA	\$0	\$0	Transfer \$202,861 from Fraud Detection Fund to the Overcollections Fund
Section 13BB	\$0	\$0	Transfer \$100,026 from the Vital Records Conversion Fund to the Overcollections Fund
Section 13CC	\$0	\$0	Transfer \$5,039,138 from the LA Health Care Redesign Fund to the Overcollections Fund
Section 13DD	\$0	\$0	Transfer \$709,266 from the Compulsive and Problem Gaming Fund to the Overcollections Fund
Section 13EE	\$0	\$0	Transfer \$338,694 from the Director of Workers' Compensation Revolving Fund to the Overcollections Fund
Section 13FF	\$0	\$0	Transfer \$3,193,412 from the Employment Security Administration Account to the Overcollections Fund
Section 13GG	\$0	\$0	Transfer \$950,000 from the Incentive Fund to the Overcollections Fund
Section 14A	\$0	\$0	Transfer \$21,825 from the Conservation Fund to the LA Duck License Stamp & Print Fund
Section 14B	\$0	\$0	Transfer \$65,014 from the Conservation Fund to the Wildlife Habitat & Natural Heritage Fund
Section 14C	\$0	\$0	Transfer \$3,743 from the Conservation Fund to the LA Wild Turkey Stamp Fund
Section 15	\$0	\$0	DOE Bridge loan due date change - SERF
	<b>(\$242,064,232)</b>	<b>\$242,064,232</b>	<b>TOTAL</b>

**FY 09 Deficit Reduction Plan**

As mentioned above, Act 226 provides for the transfer of \$24,378,056 from various statutory dedicated funds into the SGF in accordance with the FY 09 Deficit Reduction Plan. Essentially, the statutory dedicated reductions associated with the FY 09 Deficit Reduction Plan forced fund balances, which are then transferred into the SGF. Below is a departmental listing of the reduction amounts approved by the Governor and the Joint Legislative Committee on the Budget (JLCB) in January 2009 including the statutory dedicated fund reductions that Act 226 subsequent transfers those forced fund balances into the SGF.

<b>Departments</b>	<b>Total Total Deficit Reduction Plan</b>
01-EXEC	(\$6,257,189)
03-VETS	(\$1,454,402)
04-STATE	(\$4,213,831)
04-JUSTICE	(\$1,388,370)
04-LT. GOV	(\$121,766)
04-TREAS	(\$116,640)
04-AGRI	(\$2,732,951)
05-LED	(\$1,005,750)
06-CRT	(\$5,506,033)
07-DOTD	(\$6,806,761)
08-CORR	(\$11,032,707)
08-DPS	(\$5,840,693)
08-YOUTH	(\$11,744,321)
09-DHH	(\$118,070,508)
10-DSS	(\$20,445,097)
11-DNR	(\$1,959,852)
12-REV	(\$3,393,660)
13-DEQ	(\$1,815,028)
14-WORK	(\$1,017,500)
19-HIED	(\$55,182,262)
19-SPECIAL	(\$3,324,982)
19-DOE	(\$11,146,641)
20-OTHER	(\$20,493,234)
21-ANCIL	(\$1,000,000)
22-NON	(\$20,000,000)
26-CAP	(\$500,000)
<b>Sub-total</b>	<b>(\$316,570,178)</b>
<b>Fund Transfers</b>	<b>(\$24,378,056)</b>
<b>TOTAL</b>	<b>(\$340,948,234)</b>

To reduce the FY 09 deficit, the governor and legislature reduced statutory dedicated expenditure authority in the amount of \$24.4M, which at the time (January 2009) represented a .64% reduction of the total appropriated statutory dedicated budget authority of \$3.8B. Constitutionally and statutorily, the governor and legislature can reduce statutory dedicated revenues up to 5%.

### **Budget Stabilization Fund Replenishment**

HCR 236 of 2009 provides for the usage of \$86,177,032 from the Budget Stabilization Fund in FY 10, which represents 33% of the total amount eligible for utilization in FY 10, or 33% of \$258,531,097. Act 226 provides for the replenishment of the Budget Stabilization Fund to be delayed until the official forecast exceeds the actual collections of SGF revenue in FY 08, or \$10.2B. Overall, Act 226 seeks to alleviate the Budget Stabilization Fund replenishment weakness by providing that monies withdrawn from this fund do not have to be replenished until the adopted revenue forecast exceeds FY 08 actual collections, or if the legislature specifically appropriates monies for such purpose. The Budget Stabilization Fund is financed by mineral revenue. In periods when general revenues are declining even though mineral revenue is relatively high (excess mineral revenue exists), withdrawals from the fund can be largely ineffective in supporting the budget because mineral revenue has to be diverted into the fund in the same year that the fund is being used to avert weakness in non-mineral revenue. Based upon the latest adopted revenue forecast, SGF revenues are anticipated to grow from \$8.1B in FY 10 to \$8.9B in FY 13. The FY 08 actual SGF revenues were approximately \$10.2B.

Although Act 226 delays the replenishment of the Budget Stabilization Fund, Act 519 of 2009, which is the Tax Amnesty Program, provides that after the \$90M of revenues generated from the program are deposited into the Coastal Protection & Restoration Fund, that the next \$86M generated from the program will be deposited into Budget Stabilization Fund, which is the approximate amount utilized in FY 10.

### **State Emergency Response Fund (SERF)**

The State Emergency Response Fund (SERF), R.S. 39:100.31, was created during the 2006 Regular Legislative Session via Act 642 (HB 1208). Included within Act 10 and Act 122 of 2009 is a total of \$1M appropriated from SERF for FY 10 within the Division of Administration (DOA). Due to Act 226 transferring \$90M from the Coastal Protection & Restoration Fund to the SERF, the estimated FY 10 unappropriated fund balance within this fund is approximately \$137.8M. The original source of the \$90M within the Coastal Protection & Restoration Fund is likely revenues generated from the Tax Amnesty Program, which is discussed above.

\$90,000,000	Act 226 (HB 802) transfer from the Coastal Protection & Restoration Fund
<u>\$48,844,702</u>	<u>Projected FY 09 ending fund balance</u>
\$138,844,702	Total FY 10 Revenue available for appropriation
<u>(\$1,000,000)</u>	<u>LESS: FY 10 appropriation (Division of Administration)</u>
\$137,844,702	FY 10 unappropriated fund balance

### **Overcollections Fund**

The Overcollections Fund, R.S. 39:100.21, is a statutory dedication from which there are appropriations in Act 10 and Act 122 in the amount of \$38,658,019, with the original source of these monies being other various statutory dedicated fund balances. Below is the FY 10 appropriation by department from this fund as they appear within Act 10 and Act 122.

01-EXEC	\$25,500,000
08-DPS	\$1,600,000
09-DHH	\$500,000
11-DNR	\$100,000
14-WFC	\$500,000
19-DOE	\$4,669,000
19-SPECIAL	\$500,000
19-HIED	\$3,289,019
20-OTHER	\$1,500,000
<u>26-CAPITAL</u>	<u>\$500,000</u>
TOTAL	\$38,658,019

Act 226 transferred a net of \$37,773,748 from various statutory dedicated funds to the Overcollections Fund for FY 09 and FY 10 appropriations and transfers \$33,929,610 of FY 09 SGF for a total fund balance transfer into the Overcollections Fund of \$71,703,358. The list below is the funds whose fund balances are transferred to the Overcollections Fund via Act 226.

\$408,488	LA Technology Innovation Fund
\$259,850	Municipal Fire and Police Civil Service Operating Fund
\$1,763,055	Rural Development Fund
\$131,870	Casino Gaming Proceeds Fund
\$123,291	Underground Damages Prevention Fund
\$2,912,880	LA Fire Marshal Fund
\$623,144	LA Fire Safety & Property Protection Trust Fund
\$400,062	Right to Know Fund
\$1,672	Pet Overpopulation Fund
\$319,303	LA Manufactured Housing Commission Fund
\$1,568,613	Insurance Fraud Investigation Fund
\$253,362	LA Environmental Education Fund
\$18,000,000	Mineral Resources Operation Fund
\$1,000,000	Oil & Gas Regulatory Fund
\$37,951	Tobacco Regulation Enforcement Fund
\$191,317	Lead Hazard Reduction Fund
\$50,000	Manufactured Home Fairness Fund'
\$3,362,936	Utility & Carrier Inspection & Supervision Fund
\$215,610	Telephonic Solicitation Relief Fund
\$143,538	DOI Administrative Fund
\$26,815	Agricultural Products Processing Development Fund
\$507,369	DOJ Debt Collection Fund
\$5,472	General Aviation & Reliever Airport Maintenance Gran
\$2,871	Railroad Crossing Safety Fund
\$4,373	School & District Accountability Rewards
\$29,240	Teacher Educational Aid for Children Fund
\$228,101	Variable Earnings Transaction Fund
\$202,861	Fraud Detection Fund
\$100,026	Vital Records Conversion Fund
\$5,039,138	LA Health Care Redesign Fund
\$709,266	Compulsive & Problem Gaming Fund
\$338,694	Director of Workers' Compensation Revolving Fund
\$3,193,412	Employment Security Administration Account
\$950,000	<u>Incentive Fund</u>
<b>\$43,104,580</b>	<b><u>FUND TOTAL</u></b>
\$29,000,000	From SGF (FY 09 SGF savings within Medicaid Program
\$4,929,610	<u>From SGF</u>
<b>\$77,034,190</b>	<b><u>Sub-total Impact</u></b>
<b>(\$5,330,832)</b>	<b><u>FY 09 Deficit Reduction Plan</u></b>
<b>\$71,703,358</b>	

The projected FY 10 unappropriated fund balance within the Overcollections Fund is approximately \$21.8M. The ending FY 09 projected fund balance for this fund was approximately \$60.5M, which includes the additional fund balance transfer of \$71.7M plus the additional FY 09 supplemental appropriations contained within Act 122.

\$299,393,914	FY 08 Ending Fund Balance
<u>\$74,703,358</u>	FY 09 Deposits/Transfers (Act 513 of '08, FY 09 Deficit Reduction, Act 226 of '09)
\$374,097,272	Total FY 09 Revenue Available
<u>\$313,597,063</u>	LESS: FY 09 Existing Operating Budget
\$60,500,209	Projected FY 09 ending fund balance
<u>\$38,658,019</u>	LESS: FY 10 appropriations (Act 10 & Act 122)
\$21,842,190	Projected FY 10 ending fund balance

**Act 122 (HB 881)**

Act 122 has two distinct sections, the first section is FY 09 appropriations and the second section is FY 10 appropriations.

The major appropriations within the FY 09 section are as follows:

- \$0.9M Overcollections Fund, Division of Administration (DOA) – final payment to satisfy the contractual agreement between the state and the The Players Championship.
- \$15M SGF, Department of Agriculture & Forestry – debt service payments to the Louisiana Agricultural Finance Authority (LAFA). The original source of these funds is FY 08 surplus revenues.
- Means of financing substitution that reduces SGF in the amount of \$344.5M and increases Federal in the like amount within the Department of Health & Hospitals – Medicaid federal match rate (FMAP) changed in accordance with the American Recovery & Reinvestment Act of 2009.
- \$0.9M Overcollections Fund, Department of Environmental Quality – Waste Tire Management Program.
- \$3.3M Overcollections Fund, LA Office of Student Financial Assistance – projected FY 09 shortfall within the TOPS Program.
- \$0.9M SGF and \$4.4M Overcollections Fund, Other Requirements – projected FY 09 shortfall within Adult Housing of Local Offenders.
- \$0.1M SGF and \$2.2M Overcollections Fund, Other Requirements – projected FY 09 shortfall within Supplemental Pay to Local Law Enforcement.

*Summary of FY 09 Appropriations*

<b>FY 09 by Department</b>						
<b>DEPT</b>	<b>SGF</b>	<b>IAT</b>	<b>SGR</b>	<b>STAT. DED.</b>	<b>FEDERAL</b>	<b>TOTAL</b>
01-EXEC	\$77,852	\$393,623	\$918,283	(\$42,010,086)	(\$2,738,920)	(\$43,359,248)
03-VETS	\$0	\$0	\$0	\$0	\$117,000	\$117,000
04-LT. GOV	(\$402,719)	\$0	\$0	\$0	\$0	(\$402,719)
04-TREAS	\$0	\$0	\$50,000	(\$950,000)	\$0	(\$900,000)
04-PSC	\$0	\$0	\$0	\$474,879	\$0	\$474,879
04-AGRI	\$15,000,000	\$0	\$0	\$1,168,031	\$0	\$16,168,031
05-LED	(\$675,000)	\$0	\$0	(\$2,042,500)	\$0	(\$2,717,500)
06-CRT	(\$375,928)	\$0	\$0	\$250,000	\$0	(\$125,928)
07-DOTD	\$0	\$0	\$0	(\$4,359,500)	\$0	(\$4,359,500)
08-CORR	(\$170,136)	\$0	\$0	\$0	\$0	(\$170,136)
08-DPS	(\$1,275,852)	\$0	\$2,720,592	(\$1,699,835)	\$0	(\$255,095)
08-YOUTH	(\$1,181,436)	\$0	\$0	\$0	\$0	(\$1,181,436)
09-DHH	(\$345,337,647)	(\$162,353)	(\$217,258)	\$357,640	\$381,009,245	\$35,649,627

10-DSS	\$140,175	\$11,080,530	\$0	\$0	\$13,615,299	\$24,836,004
12-REV	(\$500,000)	\$0	\$41,688	\$0	\$0	(\$458,312)
13-DEQ	(\$900,000)	\$0	\$0	\$900,000	\$0	\$0
16-WLF	\$0	\$0	\$0	\$1,411,727	\$0	\$1,411,727
17-CIVIL	(\$1,000,000)	\$0	\$0	\$0	\$0	(\$1,000,000)
19-HIED	(\$162,353)	\$1,800,000	(\$1,379,188)	\$4,483,873	\$6,884,979	\$11,627,311
19-SPECIAL	(\$150,000)	\$170,256	\$150,000	(\$77,154)	\$0	\$93,102
19-DOE	(\$2,847,417)	\$2,097,417	\$0	\$0	\$0	(\$750,000)
19-HCSD	\$0	\$0	\$0	\$6,000,000	\$0	\$6,000,000
20-OTHER	\$1,045,231	\$0	\$0	\$15,375,221	\$0	\$16,420,452
21-ANCIL	\$0	\$193,704	\$2,006,296	\$0	\$0	\$2,200,000
26-CAP	\$169,089	\$0	\$0	(\$44,410,466)	\$0	(\$44,241,377)
<b>TOTAL</b>	<b>(\$338,546,141)</b>	<b>\$15,573,177</b>	<b>\$4,290,413</b>	<b>(\$65,128,170)</b>	<b>\$398,887,603</b>	<b>\$15,076,882</b>

The major appropriations within the FY 10 section are as follows:

- \$1.3M SGF, Division of Administration – salaries and related benefits
- \$1.6M SGF, Elderly Affairs – various local councils on aging organizations
- \$2M Mega-Project Development Fund, Department of Economic Development – LA FastStart Program training for the V-Vehicle Company.
- \$1.2M Rapid Response Fund, Department of Economic Development – Saint Gobain project to support competitiveness at the Simboro Facility.
- \$2.3M and 47 T.O. positions SGF, Department of Culture, Recreation & Tourism – historic site operations.
- \$2M SGF, Department of Culture, Recreation & Tourism – Arts Program
- \$86.2M SGF, Board of Regents – original source of funds is the Budget Stabilization Fund. The Board of Regents is to allocate funding based upon its adopted formula.
- \$17.1M SGF, State Aid to Local Governments – various local projects.
- \$30M SGF - judgments

*Summary of FY 10 Appropriations*

DEPT	SGF	IAT	SGR	STAT. DED.	FEDERAL	TOTAL
01-EXEC	\$4,145,587	\$0	\$0	\$0	\$0	\$4,145,587
04-STATE	\$300,000	\$0	\$0	\$0	\$0	\$300,000
04-DOJ	\$125,000	\$0	\$0	\$0	\$0	\$125,000
04-AGRI	\$2,000,003	\$0	\$0	\$0	\$0	\$2,000,003
05-LED	\$781,515	\$0	\$0	\$3,200,000	\$0	\$3,981,515
06-CRT	\$7,103,962	\$0	\$0	\$2,107,950	\$0	\$9,211,912
07-DOTD	\$1,549,765	\$0	\$0	\$0	\$0	\$1,549,765
08-CORR	\$3,405,702	\$0	\$0	\$0	\$0	\$3,405,702
08-DPS	\$30,000	\$0	\$0	\$1,600,000	\$0	\$1,630,000
09-DHH	\$1,899,732	\$0	\$0	\$49,549,275	\$0	\$51,449,007

10-DSS	\$927,974	\$0	\$0	\$0	\$0	\$927,974
11-DNR	\$0	\$0	\$0	\$100,000	\$0	\$100,000
13-DEQ	\$500,000	\$0	\$0	\$0	\$0	\$500,000
14-WORK	\$0	\$0	\$0	\$500,000	\$0	\$500,000
16-WLF	\$100,000	\$0	\$0	\$0	\$0	\$100,000
19-HIED	\$108,066,332	\$0	\$0	\$3,289,019	\$0	\$111,355,351
19-DOE	\$250,000	\$0	\$0	\$0	\$0	\$250,000
19-HCSD	\$350,000	\$0	\$0	\$0	\$0	\$350,000
20-OTHER	\$17,105,486	\$0	\$0	\$2,232,500	\$0	\$19,337,986
25-JUDGE	\$30,000,000	\$0	\$0	\$0	\$0	\$30,000,000
<b>TOTAL</b>	<b>\$178,641,058</b>	<b>\$0</b>	<b>\$0</b>	<b>\$62,578,744</b>	<b>\$0</b>	<b>\$241,219,802</b>

**Act 492 (SB 267)**

Act 492 of 2009 provides for the Division of Administration (DOA) to establish procedures to assure that the activities supported by a special fund are subject to the same level of transparency and accountability as activities supported by SGF. The specific procedure will include the annual submission of reports no later than December 1st of each year to the president of the Senate, the speaker of the House and the DOA, for all entities supported by appropriations from the fund. Proposed legislation also provides that beginning 10/1/09, and every 2 years thereafter, the DOA will develop a plan, which will be submitted to the JLCB for review of statutory dedicated funds. This bill provides that each plan shall provide for review of not more than 25% of the total statutory dedicated funds and the plan shall specify which funds are to be reviewed. The JLCB will conduct a review of the funds. Proposed legislation provides that no later than 2/15/10 and every 2 years thereafter, the committee shall report the findings of each biennial review to the speaker, the president, governor and the commissioner. Proposed legislation provides that this law shall not apply to the following funds: 1) special funds protected by the Constitution; 2) special funds established solely as a requirement of grants, donations, court orders, contracts of the state; 3) special funds and dedications of money on behalf of a state board from fees or assessments paid by members; 4) special funds related to the judiciary; and 5) special funds related to retirement funds.

NOTE: According to the Treasury, there are approximately 391 statutory dedicated funds with total approximate fund balances of \$12B. Of these 391 funds, approximately 33 are constitutional funds and 358 are statutory funds.

## Corrections Services

The Department of Corrections FY 10 budget totals \$497.8M, a \$45.5M decrease from the prior-year existing budget amount of \$543.3M. The major changes in the FY 10 budget:

1. \$39M decrease in SGF by reducing expenses for travel, supplies, and professional services. 139 T.O. positions were also eliminated.
2. \$9M reduction in Statutory Dedications from the Overcollections Fund for acquisitions and major repairs.
3. \$2M in SGF funding for the Steve Hoyle Rehabilitation Center. Funding is being provided for approximately 2 months of operating services. The facility will then be transitioned into a facility to house state inmates within the Local Housing of State Adult Offenders program. The Department of Public Safety & Corrections is planning to enter into an agreement with the sheriff to provide reentry services for female offenders at the Steve Hoyle Rehabilitation Center in Tallulah, LA.
4. \$954,780 in SGF to provide Adult Probation and Parole with 300 passive GPS devices to be utilized for monitoring sex offenders. Eleven (11) vacant T.O. positions will be reassigned to provide intensive supervision to the additional sex offenders being monitored.

For FY 09 the Local Housing of State Adult appropriation increased by approximately \$5.3M (from \$159.5M to \$164.8M), which requested its one significant adjustment (a supplemental appropriation during the 2009 Legislative Session). Act 122 (HB 881) of 2009 allocated sufficient funding to allow for projected expenditures in FY 09 (shortfall for 599 additional offenders in Local Housing of State Adult Offenders).

FY 10 funding for Local Housing of State Adult Offenders totals \$157.1M. For FY 10, there were 2 major adjustments:

1. \$2.3M in SGF to create the Local Reentry Services Program within Local Housing of State Adult Offenders. An additional \$7 per inmate day will be provided through contracts to local sheriffs and private providers for reentry services to state inmates housed in local jails.
2. \$4.7M reduction in the Adult Work Release Program. \$3.9M was reduced from the amount the state pays per inmate day (a reduction of \$3 per inmate per day). This is a SGF cost savings measure. This amount will be paid from the offender's wages so the Work Release program provider will receive full reimbursement for costs. Another \$800,000 was reduced to help fund the Local Reentry Services Program.

For FY 10, the per diem for the housing of state adult offenders is \$24.39. The per diem for work release programs will range from \$12.25 (contract and private) to \$16.39 (non-contract). The number of adults housed per day based on the Performance Standard for FY 10 for Local Housing is 14,463 inmates and Work Release is 3,499 inmates.

According to the latest report from the Department on 7/15/09, the number of inmates in state facilities is 19,190 and local jail facilities are 18,644 for a total of 37,834 inmates.

## Youth Services

Youth Services' FY 10 budget totals \$152.2M, a \$20.8M decrease from the prior-year existing budget amount of \$173M. The major changes in the FY 10 budget include:

1. \$5.1M reduction in funding for Prevention and Diversion programs for non Office of Juvenile Justice youth. This reduction will eliminate these non-mandated programs.
2. \$4.1M reduction in funding for Mentor Tracker activities. This reduction will leave \$500,000 in the FY 10 budget for these services. Mentor Tracker services provide support to youth through monitoring and tracking of the youth's activities. The remaining funding will be prioritized to target the high-need, high-risk youth. Increases in Probation and Parole (Field Services) will monitor these youth. The transfer of 34 positions that were transferred from Jetson Center for Youth to Field Services will help to provide this service.
3. \$1.8M reduction in funding for Day Treatment activities. This funding provides for nonresidential supervision, truancy and education programs. Several contracts were underutilized (number of slots were not filled or even being used); therefore, there is little to no impact on services.
4. \$3.15M in IAT (Federal fiscal stimulus funds) from the LA Commission on Law Enforcement. Federal funding is from the Edward Byrne Memorial Justice Grant Program (Byrne/JAG). This funding will assist in the implementation of juvenile justice reform and rehabilitation initiatives.

FY 10 funding for Local Housing of State Juvenile Offenders totals \$7.3M. Local Housing of State Juvenile Offenders was appropriated an additional \$1.2M for FY 10 to properly align the budget with statutes that require the Local Housing of Juvenile Offenders to be charged a higher rate due to inflation. For FY 09, the rate for pending non-secure youth was \$23.39 and the rate for pending secure care \$106.24 (adjusted yearly pursuant to consumer price index).

## Human Services Districts/Authorities

The Human Services Districts/Authorities received significant reductions in funding for FY 10 compared to FY 09. Contractual services for mental health, drug treatment, developmental disabilities, and support services were reduced by \$4.7M for all 4 districts. District operating expenses were reduced by \$1.2M and also reduced their staffing budgets by \$1.7M and eliminated 38 positions. Below are detailed descriptions of the impacts of these budget reductions on each district.

### *Jefferson Parish Human Services Authority (JPHSA)*

\$1,711,500 SGF Reduction - Reduction in contractual services for behavioral health and developmental disabilities services. The JPHSA will reduce or eliminate the following contracts and corresponding amounts in FY 10: Transitional Care Center (\$474,678), Crisis Respite Facility (\$250,000), Intensive Case Management Services (\$101,435), Developmental Disabilities Cash Subsidy Program (\$154,800), DD Contract Services (\$146,968), Developmental Disabilities Psychological Services (\$70,000), Social & Life Skills Training Group (\$12,000), Self-Directed Supported Living Services (\$27,000), Developmental Disabilities Supported Living Services (\$41,000), Dialectical Behavior Therapy (\$198,328), Intensive In-home Services for Younger Children & Adolescents (\$208,831), Desktop Support (\$15,210), and Peer Specialist (\$11,250). JPHSA will serve an estimated 731 fewer clients based on the proposed contract service reductions.

\$232,376 SGF Reduction - Reduction in travel (\$3,000), operating services (\$26,537), supplies (\$3,000), and pharmaceuticals (\$199,839). To achieve these savings JPHSA's pharmacy will reduce the type and quantity of medications provided to clients. Lexapro and Cymbalta (antidepressants) will be removed from the formulary (eliminates prescriptions for 300 clients). Neurontin, Topomax and Depakote ER (mood stabilizers) will be reduced or removed from the formulary and will reduce or eliminate prescriptions for 150 clients. JPHSA will require an indication of Bipolar Disorder, Schizophrenia, or Schizoaffective Disorder for Seroquel and Abilify, which are antipsychotic medications (eliminates prescriptions for 700 clients). This will not narrow the eligibility of clients but it will narrow the treatment options available to these individuals.

\$265,830 SGF Reduction - Reduction in funding associated with 9 support personnel positions. These positions include the following: 8 administrative coordinators and one information technology position. These staff work in JPHSA clinics answering phone calls, registering clients, scheduling appointments, managing clinical records, data input, and other general administrative duties. This staffing reduction will likely result in professional clinical staff doing more clerical and administrative functions reducing their time for direct patient care. There is no way to estimate in advance how many hours clinical staff might spend on such clerical functions due to this reduction in administrative staff. Loss of the Information Technology Office Staff Assistant will delay JPHSA's efforts to implement an electronic health record. Lack of this staff person during JPHSA's transition to an electronic health record will likely increase periods where staff computer services are not available, negatively affecting client care.

\$474,995 SGF Reduction - Reduction in funding associated with 7 Direct Service positions. These positions include the following: 2 registered nurses, 4 social workers, and 1 OCDD support coordinator. JPHSA estimates an estimated 3,655 clients will not receive services due to these direct staffing reductions.

\$525,000 Statutory Dedication Reduction - Non-recurring Statutory Dedicated funding for the School Therapeutic Enhancement Program (STEP) from the Overcollections Fund. STEP is a school-based mental health program that provides cognitive behavioral therapy to youth with depression, anxiety, posttraumatic stress disorder, attention deficit hyperactivity disorder, and disruptive behavior disorder. This budget reduction will require JPHSA to eliminate eight vacant clinical social workers who provide school-based services under STEP. JPHSA will serve an estimated 400 fewer students who will not receive school-based services due to this reduction. Based on this proposed reduction \$1,222,091 SGF remains in JPHSA budget in FY 10 for STEP.

***Florida Parishes Human Services Authority (FPHSA)***

\$200,000 SGF Reduction- Reduces the following non-Medicaid developmental disability services and individual and family support services: dental care, medical care, respite care, recreation, home health services, equipment, supplies, counseling, communication services, crisis intervention, specialized diagnostics and evaluations, nutrition training, clothing, and parent education. FPHSA will serve 50 fewer clients based on this proposed reduction.

\$254,905 SGF Reduction - Reduction in funding for the following behavior health and developmental disabilities services contracts and amounts: Bogalusa and Lallie Kemp ER holding beds—primarily adult services (\$35,078), Gulf Coast Teaching Family Services respite services for children and adolescents (\$10,000), New Horizons Youth Service respite services for children and adolescents (\$10,000), New Horizons Youth Service in home crisis intervention services for children and adolescents (\$87,227), Southeast LA Area Health Education Center family transportation vouchers (\$7,600), and OPTIONS Foundation Group Home beds (\$105,000). FPHSA will serve 134 fewer clients/families and eliminate 12 children/adolescent respite beds used to avert in-patient hospitalization and 5 adult supervised mental health residential beds based on this proposed reduction.

\$868,253 SGF Reduction - Reduction in funding associated with the following 20 vacant FTE positions: 10 Social Workers, 3 Counselors, 2.5 FTE Physicians, 2 OCDD Community Service Specialists, 0.5 Coordinator, Administrative Assistant, and Administrative Program Specialist. FPHSA estimates that 2,245 fewer clients will receive services in FY 10 based on this proposed reduction.

***Capital Area Human Services Authority (CAHSA)***

\$69,652 SGF Reduction - Elimination of funding of vacant Administrative Assistant and Administrative Coordinator positions.

\$1,500,000 SGF Reduction - Includes the following reductions for CAHSD: operating services for staff development (\$15,000); developmental disabilities social services contracts (\$274,471); addictive disorders treatment services contracts (\$506,875); and mental health treatment services contracts (\$703,654). The reduction of \$274,471 in developmental disabilities social services contracts eliminates the following services: cash subsidies for 19 individuals (\$59,074), supported independent living for two individuals (\$28,000), and family support crisis services for 59 fewer individuals (\$187,397). The reduction of \$506,875 in addictive disorders treatment services contracts mentioned above eliminates the following services: 11 co-occurring halfway house beds for residential addition treatment/recovery services for 44 individuals (\$185,875), adult outpatient treatment services for 168 few individuals (\$100,000), adolescent alcohol/drug prevention services for 120 individuals (\$72,000), and adolescent outpatient treatment services for 100 individuals (\$149,000). The reduction of \$703,654 in mental health treatment services

contracts mentioned above eliminates the following services: 16 halfway house beds for residential treatment services for 64 individuals (\$263,654), crisis respite/case management services for 132 fewer individuals (\$100,000), community support services for 222 fewer individuals (\$300,000), and family support/cash subsidies for 12 individuals (\$40,000).

\$892,938 SGF Reduction - Reduces pharmaceutical funding for 70 fewer patients using the average annual cost of \$3,199 to provide medication to a patient who does not qualify for a patient assistance program (\$222,000); office and other operating services by purchasing only recycled supplies and surplus furniture, and requiring staff to recycle paper in printers, and purchasing surplus furniture (\$200,000); and contract services including professional services (\$26,998), developmental disabilities social services (\$74,471), addictive disorders treatment services (\$122,141), and mental health treatment services (\$247,328). The reduction of \$26,998 in contracted services will increase client wait times for initial physician evaluation and will eliminate services for 14 individuals due to delayed admissions. The reduction of \$74,471 in developmental disabilities social services contracts mentioned above eliminates the following services: case management services for 4 individuals (\$7,104), inclusive recreation services for 150 individuals (\$15,000), adult habitation services for 6 individuals (\$49,520), and cash subsidy for 1 individual (\$2,847). The reduction of \$122,141 in addictive disorders treatment services mentioned above eliminates 7 co-occurring halfway house beds for 29 fewer individuals. The reduction of \$247,328 in mental health treatment services mentioned above eliminates 15 mental health halfway house for 60 fewer individuals.

#### ***Metropolitan Human Services District (MHSD)***

\$1,156,181 SGF Reduction - Reductions in the following social services contracts: \$126,754 for BECCI to provide case management for 50 persons; \$75,000 for Voyage House for case management services for 40 persons; \$20,000 for Beautiful Foundation for an education program serving 45 youths; \$245,000 for a 50% reduction in beds from 14 to 7; \$241,427 for Nami reducing community programs for mentally ill persons from 135 persons to 100 persons; \$145,000 for Life Changers eliminating educational services to 20 at risk youths; \$121,000 for Crescent House Domestic Violence eliminating safe house services for 30 persons; \$110,000 for Orleans Parish Juvenile Court Youth Drug Court; and \$72,000 to Grace Outreach to serve 32 fewer clients per year.

\$150,000 SGF Reduction - Decreased rental costs for office space in the Poydras Center in downtown New Orleans. Metropolitan will move these administrative functions to other areas saving an estimated \$150,000 in FY 10.

## Department of Health & Hospitals Medicaid

In FY 10, the Department of Health and Hospitals is appropriated \$6.28B for the Medicaid Program (Medical Vendor Payments). This represents an overall decrease of \$242.5M, or 3.7%, from the 2/1/09 budget freeze date. The latest Medicaid Monthly Financial Report (FY 09 Year End Report) reflects prior year actual expenditures of \$6.35B in FY 09. Based on these actuals, the Medical Vendor Payments appropriation reflects an overall decrease of \$106M, or approximately 1.5%, from FY 09. Comparing the 4 major Medicaid budget programs solely, the appropriation decreased by approximately \$80.9M, or approximately 1%, from prior year actuals.

The total decrease is mainly the result of rate cuts to various providers and efficiencies anticipated to be implemented in FY 10 in the Payments to Private Provider Program. Specific and significant reductions in the Payments to Private Provider Program include the following:

- Annualization of FY 09 mid-year cuts (average 3.5%);
- Various efficiencies, which include implementation of Interqual software, reductions in certain hospice payments, and limits on monthly pharmacy scripts;
- Various provider rate cuts;
- Eliminate funding for an extra Medicaid check write for FY 09.

### **Major Changes from FY 09**

As provided by the General Appropriation Act of 2009 (Act 10), the Medicaid budget for FY 10 was adopted by the Legislature at a program size of \$6.28B.

•For FY 10, the state match rate will be 19.99% (excludes UCC match rate, which is 32.39%) on Medicaid programmatic expenditures as compared to a state match of 28.40% in FY 09. *Note:* The Medicaid program was authorized to receive the enhanced FMAP of 80.01% for three quarters of FY 09.

•The FY 10 appropriation (Act 10) for Medical Vendor Payments (Payments to Privates, Payments to Publics, Medicare Buy-ins, and Uncompensated Care Costs) decreased expenditures by approximately \$80.9M from FY 09 actual expenditures. The program changes are allocated as follows:

- \$165.8M decrease in payments to private providers.
- \$10.5M increase in payments to public providers.
- \$38.3M increase for Medicare buy-ins and supplements.
- \$36M increase in uncompensated care costs payments.

Act 10 appropriates funding by program, not by provider line item. Preamble language in Schedule 09 of Act 10 requires DHH to “submit a plan detailing the programmatic allocations of appropriations for the Medical Vendor Program” to JLCB for review no later than 10/1/09. The report reflects sub program projections in private providers for FY 10. Sub program projections are not direct appropriations in Medicaid. Prior year actuals compared with the initial spread are reflected below:

**Major Line Item Decreases for Private Providers (FY 09 actuals compared to DHH initial FY 10 projections by sub-program).**

- \$23.7M decrease in payments for NOW Waiver
- \$3.5M decrease in payments for ICF-DD Community Homes
- \$4.6M decrease in payments for Lab and X-Ray
- \$7.8M decrease in payments for LT-PCS
- \$1.2M decrease in payments for Mental Health – Inpatient Services
- \$463,722 decrease in payments for Durable Medical Equipment

**Major Line Item Increases for Private Providers (FY 09 actuals compared to DHH initial FY 10 projections by sub-program).**

- \$6.8M increase in payments for EPSDT (screening and early diagnosis)
- \$26.5M increase in payments for Hospital – Inpatient Services
- \$17.1M increase in payments for Nursing Homes
- \$10.2M increase in payments for Pharmaceutical Products and Services
- \$1.2M increase in payments to Rural Health Clinics

**Major Programmatic Specific Funding**

Additional \$102.7M (\$20.5M Statutory Dedications \$82.2M Federal) for the rebasing of Medicaid reimbursement rates for nursing home services contingent upon the Centers for Medicare & Medicaid (CMS) approval (of a state plan change). The source of statutory dedicated funding is revenue from the Medicaid Trust Fund for the Elderly (MTFE). DHH has constructed the state plan amendment and is currently waiting on approval (as of August, 09).

*Note:* Historically, DHH has rebased nursing home rates every 2 years in even number years. Act 244 of 2009 authorizes rate rebasing every 2 years “at a minimum”. Nursing home rates (private N.H. providers) are facility specific in large part due to the case mix methodology variable used in determining rates. On average, FY 09 private provider rates were approximately \$130 per day. Information received from DHH indicates the average private provider rate on 7/3/09 is \$133.65 per day (largely due to inflation), and the rebase, once

approved, is anticipated to increase the average rate to \$137.81 per day. DHH anticipates CMS approval, and has indicated new rates will be retroactive for claims processed to 7/3/09.

- Additional \$41.8M in funding (\$11.5M SGF and \$30.3M Federal) for the mandatory rate increase for drug allowances and new FDA approved drugs. According to the Department of Health & Hospitals, an 8.6% growth rate (based on a national growth rate) was applied to the pharmacy budget to determine the funding anticipated to cover the costs for the new FDA approved drugs.
- Additional \$971,495 in funding to provide for a mandatory rate increase for Durable Medical Equipment (DME). Durable Medical Equipment is a Medicaid state plan service that provides medically necessary equipment, appliances, and supplies to certain Medicaid eligibles. *Note:* Information received from the department indicates that supplies and medical equipment are reimbursed according to prevailing costs to the provider, plus an allowance for profit. Medicaid follows the Medicare rate methodology. The national average for inflationary growth for these products is 3.9%. DHH requested to increase the initial projected costs of DME by 3.9% over the December expenditure forecast for DME (3.9% x \$24,910,124 = \$971,495). *Note:* Although the budget provides for a rate increase for these providers, the initial budget spread for FY 10 indicates an anticipated decrease in overall expenditures from prior year actual expenditures.
- Additional \$25M in Medicaid claims funding (\$7,002,031 SGF and \$18,432,154 Federal) for a projected increase in Medicaid enrollment as a result of economic downturn. Projected funding is based on the following assumptions:

<u>Eligibility Category</u>	<u>Total Estimated New Recipients</u>	<u>Cost per Month</u>	<u>Annual Estimate</u>
Adults	5,225	\$423	\$13,266,692
Children	<u>14,190</u>	\$143	<u>\$12,167,493</u>
Total	19,415		<u>\$25,434,185</u>

The department projected new recipients based on historical comparisons of unemployment increases and the number of new Medicaid eligibles that gain eligibility as a result. DHH indicated the costs are based on recipients being phased evenly over an 11 month period. The source of federal funds is Title 19 federal financial participation.

*Note:* Estimates included 2 eligibility categories: 1) adults that are non-disabled, non-institutional, age 19 - 64, including pregnant women; and 2) children that are non-disabled, non-institutional, non foster children under 19 years of age.

- Additional \$40M in funding for a Medicaid rate increase to hospitals for providing inpatient services to Medicaid eligible patients. Information received from DHH indicates that these enhanced rates will be funded with anticipated SGF savings from efficiencies (Interqual) implemented in FY 09 (as a part of the Deficit Reduction Plan or FY 09 mid-year cuts) and annualized in the FY 10 Executive Budget. Currently, the Medicaid Program used outdated criteria for hospital admissions and length of stay authorizations for Medicaid eligibles. Medicaid intends to implement up to date industry accepted standards using “Interqual” decision support software to base payments on these criteria. DHH anticipates this new criteria (authorizations) will generate savings. The 7% reduction in Medicaid reimbursement rates for inpatient hospital services are anticipated to be reduced from the new rate base as a result of this adjustment.

- Additional \$5.9M in funding (\$1,633,095 SGF and \$4,298,960 Federal) for Multi Systemic

Therapy (MST) as a new mental health service authorized by the CMS. According to DHH, MST is an evidenced based, intensive family and community based treatment for 12-17 year olds which addresses the various causes of serious anti social behavior in juveniles occurring in their natural settings (home and school), and promotes behavioral changes (such as decrease in delinquency, substance abuse, violence, and criminal behavior). These services may be provided by any group of masters level licensed behavioral practitioners. The source of federal funds is Title 19 federal financial participation.

The FY 09 budget contained approximately \$3.6M for 12 months, and was anticipated to serve 315 children in the first year. According to the department, funding is being increased to cover the costs of a projected increase in the number of providers (21 additional clinicians in FY 10) that is anticipated to increase the projected number of children served.

Additional \$14.8M in funding for the increased costs of contributions for Medicaid drug payments for full dual eligibles, or the "Clawback" payment. These are mandatory payments by states to the federal government (Medicare) to assist in covering the cost of Medicare Part D prescription drug coverage offered to some dual eligibles offered under Medicare Part D. Dual eligibles are entitled to Medicare and Medicaid benefits (there are full dual eligibles and partial dual eligibles). HB 1 provided \$4,314,878, and Senate Finance added another \$10,525,767. Total new funding for FY 10 is 14,840,645 in SGF.

### **Medicaid Outlook for FY 11**

For FY 10, a portion of the recurring Medicaid budget is financed through major non-recurring money sources as follows:

- 1) Approximately \$568.8M in enhanced FMAP (\$26.9M earned in FY 09 and the balance appropriated anticipated to be earned in FY 10. Eligibility for the enhanced FMAP will end on 12/31/10, which will result in a shortfall for the balance (6 months) of FY 11 (as the FMAP is estimated to drop from at least 80.01% to a projected 63.16%).
- 2) \$21,859,078 from the corpus (principal) of the Medicaid Trust Fund for the Elderly is appropriated to FY 10, and will be used to collect federal matching funds to be used for re-basing nursing home rates. \$1.3M is appropriated to cover partial funding from the FY 09 rebase (only 11 months funded), and approximately \$20.5M is appropriated from Act 122 of 2009 for the FY 10 rebase (as part of SB 247, or Act 244).
- 3) \$48M in Social Services Block Grant funds (one-time grant funds). These funds were swapped with State General Funds in various DHH program offices. The SGF from the swap were used to finance Medicaid in FY 10.
- 4) \$42.3M in excess revenues and interest earnings from the LA Medical Assistance Trust Fund.
- 5) \$26M in enhanced FMAP earned in FY 09 appropriated in FY 10 from the Medical Assistance Trust Fund for partial restorations of various private provider rate cuts. These restorations were funded in Act 122.
- 6) \$19,608,520 from the New Opportunities Waiver (NOW) Fund is appropriated in Medical Vendor Payments (\$17.7 M) and Medical Vendor Administration (\$1.8M) in FY 10, and will be used as match in the private providers program to fund 2,025 new NOW slots. Act 481 of 2007 created the NOW Fund. Approximately \$50M of one time surplus

revenues was deposited into the NOW Fund in FY 09. Continued state surpluses will be required to restore the NOW Fund in order to sustain these slots in future fiscal years.

In addition, approximately \$65M in Certified Public Expenditure (C.P.E.) funding is appropriated in FY 10. These funds represent 100% federal matching funds from the Centers for Medicare and Medicaid Services (CMS), and are used as match in both the Private Providers Program. On 5/29/07, CMS issued a regulatory action that could limit future certifications for public providers. Congress has temporarily imposed a moratorium (through 4/1/09) on implementing this rule, however, should the rule be republished by CMS and implemented, future funds used as match by the Medicaid Program could be limited. As of August 2009, DHH has not indicated if this financing mechanism will be disallowed. *Note:* Additionally, the use of CPE's may be partially reduced for FY 11 as a result of the DSH audit rule.

### **Medicaid Administration**

In FY 10, Medical Vendor Administration Program is appropriated \$251.6M. This represents an overall increase of \$34.9M, or 16%, from the 2/1/09 budget freeze date. In addition, the FY 10 Medical Vendor Administration budget reflects a net increase of 14 positions from the prior year.

### **Significant Increases in Medicaid Administration**

- \$1,060,485 in additional funding (\$265,121 SGF and \$795,364 Federal) for 15 additional positions in the Health Standards Section. The federal source of funding is Title 19 federal financial participation. The Health Standards Section enforces state licensing and federal certification regulations of various health care providers. In addition to the licensing function, Health Standards reviews/investigates health care facility complaints, and acts to correct facilities deemed out of compliance.

Information received from DHH indicates that the Health Standards Section will not be able to meet performance indicator objectives relative to licensing surveys of all the health care providers that are statutorily required to be surveyed, or indicators for facility non-compliance review and follow up activities.

- \$4M in funding (\$2M Stat. Ded. and \$2M Federal) for the administrative costs associated with the transition from a fee-for-service delivery system to a medical home model of care as part of the Health Care Reform initiative. The source of Statutory Dedication funding is one-time revenue deposited into the Health Care Redesign Fund. This adjustment re-appropriates administrative funding for the medical home (LA Health First) that was eliminated as part of the FY 09 mid year cuts.

Historical funding associated with the medical home model of care.

--\$25,185,507 added in FY 08 in Medical Vendor Payments for medical home implementation

--\$1,107,876 added in FY 09 for administrative costs and to cover salaries of 5 new positions for M.H. development

--\$4,689,093 added in FY 09

--\$4M adjustment added in FY 10 Executive Budget to re-instate FY 09 mid year cut.

\* \$2M in additional funding for a new Coordinated Care Management Program for at risk children. The source of IAT funding is 100% federal Social Services Block Grant funds awarded from the Department of Social Services. DHH will contract with a provider to implement case

management services for children determined to be high risk for social, behavior, or medical harm. Information received from the department indicates these case management services will be targeted in hurricane impacted areas (Katrina and Rita), and high risk children may include medically fragile children, children in foster care, and children with chronic disease. The coordinated care provider will be charged with outreach (identifying high risk children).

Note: The IAT is one-time revenue that will be used to support recurring expenditures.

\* \$2.5M in funding (\$1.25M SGF and \$1.25M Federal) for the implementation of a Radiology Utilization Management (RUM) Program. Information received from DHH indicates that the department expects to implement this new program in 2009. This program will require providers to request prior authorization from the department for coverage for defined radiology services. The intent is to ensure that Medicaid recipients receive only appropriate radiology services (MRI, MRA, PET, CTA, and CT). DHH will contract to provide prior authorization services, and management and monitoring of medical imaging services.

Note: This program is anticipated to result in savings of \$1.25M in FY 09 and \$4.8M in FY 10.

\* \$3M in annualized funding (\$1.5M SGF and \$1.5M Federal) for a Disease Management contract targeting individuals with specific chronic disease. This adjustment annualizes last year's funding of \$1M for a full year to implement a Disease Management Program. DHH will enter into a contract through a Request for Proposal (for a disease management contractor) to serve a designated amount of Primary Care Case Management (Community Care) members that have been diagnosed with either asthma, diabetes, or congestive heart failure. The source of federal funding is the Medicaid administration grant from CMS.

## **Major Changes in Mental Health**

### **MH Merger with Office of Addictive Disorders**

Act 384 of 2009 consolidates the functions of the Office of Mental Health and the Office of Addictive Disorders to create the Office of Behavior Health effective 7/1/10. The legislation established an advisory committee to develop a plan to consolidate the administrative functions of the Office of Behavior Health and to submit a report with final recommendations to the secretary of the Department of Health & Hospitals (DHH), which must be adopted by 1/31/10. The legislation also requires the secretary of DHH to submit the implementation plan for joint approval of the Senate and House Health and Welfare committees on or before 3/1/10. According to the Legislative Fiscal Note, DHH indicated that the direct care programs will continue to operate in the same manner and that any anticipated savings is expected to result from the elimination of duplicative executive management positions.

### **MH State Office Merger with Areas A, B, and C**

Act 10 of 2009 consolidates the Office of Mental Health (State Office) and MH Areas A, B, and C. The consolidation of these agencies will not result in any immediate savings in the short-term but will allow for better cash flow management and budget flexibility within the agency. Each agency will maintain its existing functions; therefore, there is no reduction in staff. OMH anticipates that in the long-term, savings may be realized through bulk purchasing of materials and supplies and various services such as maintenance, dietary, and housekeeping.

### **MH Area A Merger of NOAH and Southeast LA Hospital**

Act 10 of 2009 consolidates the New Orleans Adolescent Hospital (NOAH) and Southeast LA Hospital. NOAH is an acute psychiatric hospital that treats children and adolescents ages 6-17 with severe mental illness. After Hurricane Katrina, 30 adult beds were added to NOAH to deal with the mental health shortage of beds in the New Orleans area. In FY 09, 10 of those adult beds were eliminated in the mid-year reductions. The merger of NOAH into Southeast LA Hospital will result in the transfer of 20 adult beds and 15 youth beds from NOAH to Southeast. There will also be a reduction of 12 administrative and 62 patient care positions. No reduction in services is anticipated to occur as a result of this consolidation. This merger resulted in a SGF savings of \$9,127,070 and 74 T.O.

### **MH Area B Elimination of the ELMHS Fire Department**

Act 10 of 2009 eliminated the East LA Mental Health System Fire Department. This department operated 24 hours a day seven days a week and responded to all codes called on the main campus and ASSA campus grounds, fires at ELMHS in Jackson, Dixon Correctional Facility, War Veterans Home, and Villa in Jackson. As a result of this elimination of services, the Forensic Compound located on-site will have to arrange fire coverage with the McManus Voluntary Fire Department and the War Veterans Home and Villa will be left without coverage. Eliminating the ELMHS Fire Department generated a SGF savings of \$300,000 and 7 T.O.

### **MH Area C Elimination of 12-bed Adolescent Unit**

Act 10 of 2009 eliminated the 12-bed Adolescent unit located at Central LA State Hospital (CLSH). This unit is for the treatment of males, ages 13-17, with both a mental health and developmental disability diagnosis that are involved with the juvenile justice system. In FY 09 this unit had 9-staffed beds and 5-filled beds. The patients in this unit will be moved into regular acute inpatient beds at CLSH. Although 33 filled positions were eliminated, the staff occupying those positions will be moved in other areas of the hospital that have vacant positions. Elimination of the adolescent unit resulted in IAT savings of \$1.8M and 33 positions.

**One Time Funding**

A total of \$69.25M in Supplemental Social Services Block Grant funding was used to replace SGF to mitigate FY 10 budget cuts in the Medicaid Program. These are one-time revenues that will not be available in future fiscal years.

## Department of Social Services

### Temporary Assistance

The recommended TANF budget for FY 09 is \$113,987,716, which is a net increase of \$46,763,274 from FY 08. Significant changes to TANF initiatives include \$27M for the LA4 Program and \$5.55M for Early Childhood Supports. These programs were funded with SGF in FY 08. Significant changes to existing initiatives include \$4.9M additional funding for Child Abuse/Neglect, \$4.7M for Nurse Family Partnership, \$2.5M for Domestic Violence, and 2.5M for JAGS. A breakdown of TANF initiatives for FY 10 is included in Section V.

### Major Increases

- \$109M Federal Social Services Block Grant funds for hurricanes Ike and Gustav relief efforts. The funding will be allocated to DHH (\$96.75M), LA Recovery Authority (\$2M), and DSS (\$10.2M).
- \$8M Federal Social Services Block Grant funds for IT procurement, development, management, and implementation of a web-based system.
- \$6.7M in American Recovery Reinvestment Act funding for the Emergency Shelter Grants Program to use for homelessness prevention activities.

### ARRA Funding

Significant federal stimulus funding was used to mitigate budget cuts for FY 10. This is one-time funding that will not be available in future fiscal years. The amount of ARRA funding appropriated by agency is as follows:

Office of Family Support	\$39,681,130
Office of Community Services	\$10,298,413
LA Rehabilitation Services	\$5,310,895
Total ARRA Funding	\$55,290,438

### Elimination or Reduction of Program Activities

The following program activities were eliminated due to budgetary constraints:

#### **Office of Community Services**

\$4.7M reduction for family services such as in-home supervision, on-going risk assessment, and support and monitoring services.

\$1.6M reduction for services provided by twelve family resource centers. These centers provide respite services to preserve foster home placements, supervised family visitation to support reunification, information and referral services, and parental advocacy services for educational support.

## Elementary & Secondary Education

Act 10 of 2009 contains funding for several significant elementary and secondary education initiatives. Below is a summary of the major education initiatives and their funding level.

### **Minimum Foundation Program (MFP):**

#### **Appropriation:**

Act 10 of 2009 appropriates \$3.275B to the Minimum Foundation Program (MFP) agency for the MFP formula. The MFP increased by \$5.4M to provide emergency assistance for two school districts (\$2.6M) that experienced the loss of the major employer in the parish, and for a slight increase in students (\$2.8M). The following was provided to the districts: Morehouse \$1.6M and Union \$1M. There is no 2.75% increase in the base per pupil amount; it remains at \$3,855 for FY 10. SCR 17 suspended provision that not less than 50% of each school district's increased state funding from implementation of Level 1 and Level 2 of the formula be used to supplement full-time staff salaries and retirement when the base per pupil amount has zero growth.

Approximately \$100.3M has been added to the MFP from the American Recovery & Reinvestment Act, State Fiscal Stabilization Funds. This dollar amount replaces \$66.5M in SGF and \$33.8M in Statutory Dedications (Lottery Funds \$15.3M and SELF Funds \$18.5M). The U.S. Department of Education State Fiscal Stabilization Funds are being placed in the Division of Administration's (DOA) Community Development Block Grant Program (CDBG), therefore the \$100.3M is considered an Interagency Transfer from the DOA.

#### **Student Membership:**

There will be two mid-year student adjustments. If a district's 10/1/09 student membership exceeds the 2/1/09 membership by 50 students or 1%, a mid-year adjustment of additional funding will be provided equal to the district's MFP per pupil amount times the number of increased students. If a district's 2/1/10 student membership exceeds the 10/1/09 membership by 50 students or 1%, a mid-year adjustment of additional funding will be provided equal to one-half of the district's MFP per pupil amount times the number of increased students.

#### **Student Membership Weights and Mandated Costs:**

The at-risk weight factor for student membership and mandated costs remain the same as the previous year.

#### **Continued changes from last year's formula:**

The local wealth factor calculation is replaced with the deduction method in the determination of the local share contribution. When calculating the local share contribution, a cap on the growth of the net assessed property value of 10% has been instituted, as well as a cap of 15% on increases in the computed sales tax base. The Level 2 reward calculation is also replaced with the Level 2 reward factor.

The FY 07 Hold Harmless amount of \$76M is frozen. The \$76M amount will be reduced by prior year pay raise amounts and insurance supplements totaling \$38M. The pay raise amounts will be continued in Level 3. The remaining amount of \$38M will be reduced by 10% over 10 years, or \$3.8M per year. The annual reduction will be redistributed to all non-hold harmless districts as a per pupil amount, which in the proposed formula, amounts to approximately \$23.28 per student.

## **Other significant initiatives and funding levels:**

### **American Recovery & Reinvestment Act (ARRA) Funds:**

As mentioned above, \$100.3M in ARRA funds (State Fiscal Stabilization Funds) has been placed in the MFP. The funding replaced \$66.5M in SGF and \$33.8M in Statutory Dedications.

In addition, the Department of Education has received \$376M from Title I and Individuals with Disabilities Education Act (IDEA) to be distributed to the local school districts. Title I schools will receive \$175,144,680 in Title I funds, and schools will receive \$195,659,067 in IDEA for K-12 and preschool students, and \$5,801,783 in IDEA for infants and families. These funds may be used by school systems for certain programs that received SGF reductions.

### **The following programs had all funding eliminated:**

- (\$10M) SGF – Flexible Teacher Pay Increase
- (\$16,396,149) SGF - High Stakes Remediation & LEAP 21 Tutoring
- (\$2,039,824) SGF – GEE 21 Tutoring
- (\$2,826,580) SGF – LA Teacher Assistance and Assessment Program
- (6,437,819) SGF - K-3 Reading and Math
- (\$5M) SGF - High School Redesign Credit Recovery
- (\$1.4M) SGF – High School Redesign E-Portal and Senior Project
- (\$1M) SGF – Principal Matching Foundation
- (\$909,177) SGF – Community Based Tutorial
- (\$597,040) SGF – LINCS
- (\$647,338) SGF – Alternative Schools
- (\$308,000) SGF – Louisiana Leadership Excellence

School systems may choose to use the Title I funding and IDEA funding received as a result of the American Recovery and Reinvestment Act to operate the above programs.

Approximately \$6.2M in SGF was eliminated, which was used to reimburse school systems for providing a \$5,000 salary supplement for National Board Certified Counselors, Psychologists, Social Workers and Speech Pathologists and Audiologists. Act 10 of 2009 includes language stating that of the discretionary SGF appropriated to State Activities, the administrative budget of the Department of Education, \$7.71M shall be allocated for reimbursements to school systems for providing salary supplements to teachers, counselors, psychologists, social workers, and speech-pathologists and audiologists.

## **High School Redesign**

- \$690,494 for State – Salaries and Operational Costs
- \$1.25M for Curriculum/Student Standards-Assessment
- \$1M for End-of-Course (EOC) Testing
- \$500,000 for Virtual Schools
- \$219,000 for Advanced Placement
- \$336,000 for Leadership (professional services, supplies and training)
- \$428,160 for Teacher Support (professional development)
- \$664,000 for High School/Middle School support at the Regional Service Centers

## **Pre-K Funding**

- \$80.6M for the LA 4 Program. The LA4 program budget authority is broken down as follows: \$47.3M in SGF, \$28.3M TANF, and \$5M 8(g). However, the \$5M in 8(g) budget authority may not be used to fund the program, as it would be considered supplanting. The LA 4 Program provides a 6-hour instruction period with a 4-hour enrichment period and 2 hours before and after class.

## **Charter Schools**

\$31.9M in SGF is provided for Type 2 Charter Schools. The funding provides for 10 Type 2 Charter Schools (8 existing schools and two new schools in Union Parish and East Baton Rouge Parish). Any Type 2 Charter School approved by the Board of Elementary and Secondary Education on or after 7/1/08, shall be appropriated funds for the local share of the MFP from the transfer of an MFP monthly amount from the district in which the student resides.

## **Other Programs:**

- \$15.2 for the Literacy and Numeracy Program (\$10.6 SGF and \$4.6 in 8(g))
- \$6M Stat Ded (Academic Improvement Fund) for the Student Scholarship Program in New Orleans
- \$4.5M SGF for the Career and Technical Education Initiative
- \$2.9M SGF for the Alternative Schools/Options Program (\$250,000 is admin)
- \$1M SGF for Multiple Pathways initiative (recruiting business and industry professionals to teach in public schools)

## Higher Education

Excluding the LA Office of Student Financial Assistance (LOSFA), higher education total SGF decreased \$307M (22% decline) from the FY 09 budget (as of 6/30/2009) to FY 10 appropriation amounts. The reduction in SGF from FY 09 to FY 10 would be \$406.6M without the inclusion of \$86.2M in Budget Stabilization funding (SGF means of finance) and another \$13.5M (SGF means of finance) due to the return of an economic development incentive package by the Shaw Group.

Higher education also received an appropriation of \$189.7M in funding from the federal American Recovery & Reinvestment Act, and the same amount for FY11. Use of these one-time funds of \$289.4M in FY 10 and \$189.7M in FY 11 will necessitate significant reductions in higher education funding in FY 11 and thereafter based on the state's estimated revenues. Excluding LOSFA, higher education funding from all means of finance declined by \$75M (3% decline) from FY 09 to FY 10. This publication includes a higher education funding table by board and institution in Section V.

LOSFA/TOPS (\$130M) The LA Office of Student Financial Assistance (LOSFA) moved from appropriation schedule 19B (Special Schools) to 19A (Higher Education). TOPS (Taylor Opportunity Program for Students) is a program of state scholarships for LA residents who attend any one of the LA Public Colleges and Universities, schools that are a part of the LA Community and Technical College System or institutions that are a part of the LA Association of Independent Colleges & Universities.

TOPS funding from all sources increased \$6.8M, from \$123M in FY 09 executive operating budget to \$129.9M in the agency's initial FY 10 appropriation. The number of participating students increased by 2,429 from 42,806 in FY 09 to 45,235 in FY 10.

Health Care Educator Loan Forgiveness Program (\$2M) In partnership with the LA Board of Regents (BOR), the LOSFA administers the Health Care Educator Loan Forgiveness Program (the "Program") under the direction of the LA Student Financial Assistance Commission (LASFAC). This program was designed by the BOR to address the insufficient number of teachers who are qualified to teach Registered Nursing and Allied Health education programs. Program costs for the FY 09 were \$1.814M expended to fund loans for 104 students. The program is funded with \$2M transferred from the BOR to LOSFA in FY 10.

Schools nominate prospective students with the Board of Regents selecting participating students. Selected students receive up to \$20,000 per academic year up to a maximum of \$40,000 to pursue a master's degree or up to \$60,000 to pursue a doctorate. In exchange for the funds, a student must agree to teach in the field of Registered Nursing or in a top demand Allied Health education program as defined by BOR at a participating postsecondary institution for a period of one year for each \$10,000 received. This agreement must be fulfilled or the student must repay the amount received plus interest and fees.

Louisiana Go Grants (\$29.2M) The Go Grant program is a need-based grant program for low and moderate-income students who need additional funding to be able to attend college. The program is funded at \$29.226M in SGF for FY 10. Go Grant program costs for FY 09 were \$26.026M for 16,015 students. This grant program is in its third year of operation and is administered by the LOSFA under the direction of the LASFAC. The BOR developed the program in accordance with the mandates of Act 695 of 2004 to create a comprehensive student aid plan, and BOR and LASFAC entered into a

Memorandum of Understanding providing that LASFAC would administer the program in accordance with the framework developed by BOR.

A student must be a LA resident enrolled in an eligible LA institution on a part-time or full-time basis to receive a Go Grant. The student must also be eligible for and receiving a federal Pell grant or a financial need grant. Participating students must also have an Education Cost Gap (ECG) greater than \$199. (The ECG is defined as tuition and fees at the student's school plus a \$2,000 education cost allowance minus the student's Pell Grant or financial need grant award.)

Early Start (\$4M) Early Start provides tuition assistance of \$100 per credit hour or a maximum of \$300 per course to eligible 11th and 12th grade students from public high schools that enroll in eligible college courses at an eligible public or private college or university. The student must receive both college and high school credit for the course for which Early Start pays. Early Start is funded with \$4M SGF for FY 10. The BOR and LOSFA anticipate demand for Early Start services to exceed the \$4M appropriation in FY 10. As such, the Board of Regents plans to initiate measures to limit program expenditures. These measures include limiting students to a maximum 3 credit hour limit per semester/term and requiring students to earn a college grade of A, B, C or P in the Fall course before they can receive payment for a Spring course.

Enrollment Changes. Overall, the state added approximately 3,800 higher education undergraduate students when FY 08 is compared with FY 07. While the storm affected campuses are in the process of increasing the number of students attending, enrollments at some non-affected institutions decreased significantly because of ongoing enrollment shifts of students returning to storm affected campuses, higher admission standards which were implemented and strong demand for workers in the economy. The table on the following page illustrates higher education enrollment changes by institution over the last four years.

Undergraduate Enrollment Statewide Higher Education						
	FY 06	FY 07	FY 08	FY 09	FYs 08 & 09	
					Diff.	% Change
LSU A&M	23,808	22,426	21,478	21,472	(6)	0.0%
ULL	13,936	13,733	13,741	13,565	(85)	-0.6%
<b><i>UNO**</i></b>	<b><i>8,810</i></b>	<b><i>8,257</i></b>	<b><i>7,982</i></b>	<b><i>7,909</i></b>	<b><i>(73)</i></b>	<b><i>-0.9%</i></b>
LA Tech	7,957	7,639	7,157	7,173	16	0.2%
ULM	6,988	6,429	6,398	6,857	459	6.7%
SU A&M	7,424	6,953	6,425	6,115	(310)	-5.1%
GSU	4,358	4,405	4,547	4,492	(55)	-1.2%
<b><i>McNeese**</i></b>	<b><i>6,916</i></b>	<b><i>6,718</i></b>	<b><i>6,651</i></b>	<b><i>6,675</i></b>	<b><i>24</i></b>	<b><i>0.4%</i></b>
NSU	7,877	7,600	7,485	7,447	(38)	-0.5%
SLU	12,533	12,032	11,983	12,125	142	1.2%
<b><i>Nicholls**</i></b>	<b><i>5,885</i></b>	<b><i>5,586</i></b>	<b><i>5,709</i></b>	<b><i>5,826</i></b>	<b><i>117</i></b>	<b><i>2.0%</i></b>
LSUS	3,554	3,346	3,440	3,837	397	10.3%
<b><i>SUNO**</i></b>	<b><i>1,487</i></b>	<b><i>1,870</i></b>	<b><i>2,289</i></b>	<b><i>2,360</i></b>	<b><i>71</i></b>	<b><i>3.0%</i></b>
LSUA	2,835	2,572	2,607	2,684	77	2.9%
LSUE	2,623	2,586	2,707	2,954	247	8.4%
SUSLA	2,314	2,376	2,300	2,501	201	8.0%
BRCC	6,041	6,171	6,520	7,026	506	7.2%
BPCC	4,689	4,609	4,778	4,759	(19)	-0.4%
<b><i>Delgado**</i></b>	<b><i>10,001</i></b>	<b><i>11,773</i></b>	<b><i>13,176</i></b>	<b><i>14,656</i></b>	<b><i>1,480</i></b>	<b><i>10.1%</i></b>
<b><i>Nunez**</i></b>	<b><i>696</i></b>	<b><i>1,200</i></b>	<b><i>1,347</i></b>	<b><i>1,699</i></b>	<b><i>352</i></b>	<b><i>20.7%</i></b>
RPCC	837	1,030	1,105	1,354	249	18.4%
SLCC	1,863	2,395	3,151	3,478	327	9.4%
LDCC	1,035	1,118	1,333	1,526	193	12.6%
Fletcher	1,193	1,220	1,306	1,413	107	7.6%
SOWELA***	1,558	1,421	1,617	1,926	309	16.0%
<b><i>LTC**</i></b>	<b><i>14,334</i></b>	<b><i>15,435</i></b>	<b><i>17,465</i></b>	<b><i>20,506</i></b>	<b><i>3,041</i></b>	<b><i>14.8%</i></b>
<b>Total</b>	<b>161,552</b>	<b>160,900</b>	<b>164,697</b>	<b>172,335</b>	<b>7,638</b>	<b>4.5%</b>

\*Figures provided by the Board of Regents

\*\*Storm affected campuses

\*\*\*SOWELA, while adversely affected by Hurricane Rita, actually experienced an enrollment increase.

The storm-affected schools are bolded and italicized. These institutions collectively lost over 15,000 students after Hurricane Katrina but are experiencing an enrollment rebound.

## LSU HSC Health Care Services Division

The Health Care Services Division (HCSD) FY 10 budget declined by \$55M from the FY 09 budget. Of this amount, \$11.9M is attributable to SGF and includes a \$14M decrease in the appropriations associated with Medicaid and UCC (Uncompensated Care Costs) reimbursement. This decrease in UCC occurs after a targeted 5% increase in Medicaid collections assigned to each hospital.

HCSD has taken the following actions to deal with their budget reduction:

1. Withholding of merit increases for staff.
2. Maximization of reimbursable cost by providing care through residency-training programs such as radiology and anesthesiology in New Orleans and moving non-reimbursable physician clinics out of Bogalusa Medical Center's hospital space. The new residency training allows the physician services associated with graduate medical education to be captured as allowable costs for federal matching funds. In prior years, without residency training, these costs for professional services were all costs that had to be paid solely with state funds.
3. Deferral of new programs planned for radiology services at the North Baton Rouge Clinic and the operations for the Earl K. Long Medical Center Mental Health Emergency Room Extension/Crisis Receiving (MHERE).

Means of Finance	FY 08 Actual	FY 09 Existing Budget as of 7/31/09	FY 10 Recommended Budget
State General Fund	\$94,771,918	\$89,938,199	\$79,925,475
Medicaid	\$206,998,547	\$224,333,374	\$251,677,440
Uncompensated Care	\$391,473,113	\$476,290,826	\$420,310,863
Medicare	\$79,013,768	\$81,142,021	\$77,756,269
Commercial Insurance	\$47,801,274	\$55,950,061	\$44,888,064
Other Revenues	<u>\$36,472,742</u>	<u>\$40,917,661</u>	<u>\$40,828,081</u>
<b>Total Means of Finance</b>	<b>\$856,531,362</b>	<b>\$970,442,142</b>	<b>\$915,386,192</b>

The HCSD existing budget for FY 09 was \$970M, which represents estimated final revenue collections as of 7/31/09. For FY 10, the 7 public hospital system's appropriated and projected revenues decreased by \$55M, or 5.7% from FY 09 existing budget. The largest portion of the \$55M decrease in funding for FY 10 is due to estimated declines in uncompensated care and commercial insurance.

### Major Increases/Decreases in FY 09 HCSD Budget

#### *STATE GENERAL FUND - \$10.3M SGF decrease*

SGF is used to cover certain unavoidable hospital costs that do not qualify for UCC reimbursement, or non-allowable costs. Specific costs that are considered non-allowable include prisoner care, outpatient drug and pharmacy costs, and professional service fees for

providing direct care to free care patients (physicians and CRNA's). Appropriated SGF in the FY 10 Budget is \$79.6M. This represents a \$10M, or 11.1% decrease from the FY 09 existing budget.

***Colorectal Cancer Screening Demonstration Project***

The LA FIT Colon Program (FITCo) was funded by the state of LA for FY 09 with \$1.5M in Statutorily Dedicated funds. The program is administered by LSU HSC School of Public Health, and is a statewide partnership of Federally Qualified Health Centers (FQHCs), community clinics, and the LSU public hospitals. The goal is to screen average risk, uninsured and underinsured LA residents aged 50-64 years old for colorectal cancer, thereby reducing morbidity and mortality. Expected outcomes include: prevention of and stage shifts in colorectal cancer; saving lives of citizens; and greatly reducing costs of treatment for state hospitals. Additionally, FITCo is addressing statewide capacity problems for colorectal cancer diagnosis. Reducing the funding from \$1.5M in FY 09 to \$350,000 in FY 10 will reduce the number of physicians in the GI Fellowship program from 2 to 0. Funding at \$350,000 in FY 10 will eliminate resources for equipment purchases and may result in a decrease or elimination of a \$2.4M grant from the Centers for Disease Control (CDC) for this purpose in FY 10.

**LSU Medical Centers Appropriations**

In October 2009, the LSU Board of Supervisors is expected to approve the appropriated and non-appropriated budget by hospital as follows:

	FY 08 Actual	FY 09 Existing Budget as of 7/31/09	FY 10 Recommended Budget
Earl K. Long	\$146,558,787	\$167,935,701	\$154,983,524
University	\$121,556,267	\$119,693,206	\$124,148,782
W.O. Moss	\$45,156,547	\$42,722,783	\$46,776,364
Lallie Kemp	\$46,846,524	\$42,283,729	\$44,309,762
Bogalusa	\$50,890,176	\$55,474,842	\$65,456,946
L.J. Chabert	\$104,891,069	\$107,897,690	\$107,952,059
MCLNO	<u>\$340,631,992</u>	<u>\$434,434,192</u>	<u>\$371,758,755</u>
<b>Total Means of Finance</b>	<b>\$856,531,362</b>	<b>\$970,442,142</b>	<b>\$915,386,192</b>

The HCSD Administration is funded by revenues that are recorded as expenditures of the hospitals and SGF appropriated revenues. Total anticipated central office expenditures area as follows:

FY 08	\$23,663,972
FY 09	\$21,731,829
FY 10	\$24,358,696

Louisiana Legislative Fiscal Office

## **Section IV**

# **BUDGETARY ISSUES**

Fiscal Year 2009-2010

## FY 2010 MAJOR BUDGET ISSUES

DEPT / AGY: Executive

Division of Administration

**ISSUE: Funding for Implementation of the Statewide Financial System, Enterprise Resource Planning (ERP)**

The total projected cost for implementation of this system is anticipated to be \$101M (not including significant post implementation costs) and is estimated to be completed in FY 11. A total of \$39.3M is currently budgeted from the Overcollections Fund for FY 10, including \$21.3M which was carried forward from FY 09. The DOA has expended a total of \$40.8M through FY 09 plus an additional \$12M in FY 10 on the ongoing costs related to implementation. An additional \$28M is budgeted for the remainder of FY 10 (the DOA is will be short approximately \$4M for its estimated costs of \$43.9M in this fiscal year) which results in the need for \$16M to complete the project in FY 11. The DOA anticipates requesting a supplemental appropriation for the remaining \$4M during the 2010 legislative session.

The DOA has completed the project prep and blueprint stage for the Enterprise Resource Planning (ERP) which is the state's new financial system. The new financial system will be a multi-year project to provide a new solution to replace the existing statewide systems for financial, contract and asset management, budget development, and purchasing. The new system will replace 41 existing systems. Current systems have become outdated, costly to maintain, and difficult to use. This new system will replace a system originally implemented in 1994. The new system is anticipated to be viable for at least 10 years. Although new technologies are likely within this period, the DOA is confident that the new system will more easily transition to a new technology and will result in lower costs to do so.

**NOTE:** Estimates of post-implementation costs provided to the LFO during the 2008 Regular Legislative Session totaled \$28.3M and included \$7M for post implementation support, \$3.5M for ERP integration, \$6.7M for software maintenance, \$8.2M for staff support, and ongoing HR/ERP software maintenance and post implementation cost of approximately \$3M. The DOA has noted that this number may be reduced by an indeterminable amount but has not provided the LFO a more recent estimate.

FY 09 expenditures of approximately \$32.4M include \$5.4M for a staff augmentation contract with Salvaggio, Teal & Associates (STA), \$15.1M for a contract with IBM for ERP integration, \$1.8M for purchase of hardware, \$2.7M for software, \$1.4M for software maintenance, and \$5.9M for state internal costs which includes salaries for state employees assigned to this project. **NOTE:** Costs for staff augmentation include a contract entered into in June 2007 for technical assistance. The contractor will provide assistance in completion of RFP, evaluation of responses to RFP, contract negotiations, acquisition support, best practices from other states, and implementation support.

FY 10 anticipated expenditures (for the original request of \$43.9M) included \$8M for staff augmentation, \$21.8M for ERP integration, \$450,000 for hardware, \$2.3M for software, \$1.9M for software maintenance, \$6.5M for personnel costs, and \$3M for reconfiguration involving the merging of the existing human resources system with the new ERP.

The DOA does not currently have an estimate of potential reductions in personnel costs across state agencies due to the efficiencies brought about by this system. Efficiencies in state agency operations could potentially reduce the total costs of the increases in personnel at the DOA which are anticipated.

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DEPT / AGY: Agriculture & Forestry

Office of Agriculture & Forestry

**ISSUE: Boll Weevil Eradication Program**

The Boll Weevil Eradication Program is approximately \$0.4M short in revenues for projected FY 10 expenditures. However, even though the program is projected to be short for FY 10, the department will reduce its projected FY 10 expenditures to reflect budgetary resources appropriated by the legislature for FY 10.

The Department of Agriculture & Forestry's Boll Weevil Eradication Program utilizes the Boll Weevil Eradication Fund to fund its yearly expenditures. Per R.S. 3:1615, this fund collects assessments based upon the number of acres of cotton planted in an eradication zone. According to the agency, there are various reasons as to why a shortfall exists. Those reasons include:

- Overall reduction in cotton acreage from 300,000 to 240,000 causing revenues from the \$6 per assessment per acre to decrease from \$1.8M to \$1.3M. These revenue collections are deposited in the Boll Weevil Eradication Fund.
- In the locations where subsequent spraying was not undertaken due to corn and soybeans being planted in place

## FY 2010 MAJOR BUDGET ISSUES

of cotton, the boll weevil population remains, and will require spraying in 2010 (crop rotation).

Below is the projected FY 10 expenditure break down:

Salaries & Related Benefits	\$3,067,590
Surveying	\$309,200
Pesticides	\$1,280,000
Operating Services	\$1,031,572
Equipment	\$100,000
<u>TOTAL COSTS</u>	<u>\$5,788,362</u>
<i>Less: SGF FY 10 Budget</i>	<i>(\$3,933,336)</i>
<i>Less: Assessment Revenue</i>	<i>(\$1,440,000)</i>
<u>TOTAL SHORTFALL</u>	<u>\$415,026</u>

To date, approximately \$165M of state resources has been spent on LA's Boll Weevil Program. In addition, approximately \$700M in federal resources has been expended since 1983. The department indicates if fully funded in FY 10, it is 2 years away from entering into the maintenance stage of eradication. However, this is contingent upon the outcome of this season's crop.

**DEPT / AGY:** Agriculture & Forestry

Office of Agriculture & Forestry

**ISSUE: Debt Service Payments**

After FY 09 debt service payments, there is approximately \$79.3M in overall debt the Department of Agriculture & Forestry still owes from various building projects and equipment purchases. The bond approvals by the State Bond Commission were backed by \$12M received each year in tax dollars from slot machines at horse racing tracks.

After the department makes the projected FY 09 total debt service payments of \$12M, the remaining projects that equate to approximately \$79.3M debt still owed include:

\$37.4M	Lacassine Sugar Syrup Mill project (original 2004 debt issuance)
\$31.0M	Firefighting equipment, \$22M, and Opelousas building, \$4M
\$5.8M	Various construction projects in 2006
<u>\$5.1M</u>	<u>Various construction projects in 2007</u>
\$79.3M	Total debt still owed

Included within the FY 10 Executive Budget Recommendation is \$12M in budget authority from the LA Agricultural Finance Authority Fund (R.S. 3:277) for debt service payments. The agency is projected to pay approximately \$4.7 M in total bond interest payments and \$7.2M in total principle payments in FY 09. The agency is projected to make the following payments in FY 10:

\$3,162,651	Interest and fees on Lacassine Syrup Mill Bonds
\$1,627,500	Interest on various construction projects in 2007
<u>\$7,209,849</u>	<u>Principal on Lacassine Syrup Mill Bonds</u>
\$12,000,000	TOTAL

To the extent that the interest rates do not change, the various construction projects in 2006 and 2007 should be *paid in full at the end of FY 13*, the Lacassine Syrup Mill bonds shall be *paid in full at the end of FY 15* and the firefighting equipment and a building in Opelousas shall be *paid in full by FY 18*. **To the extent that the department does not borrow any more funding through bond approvals, all state debts will be paid by FY 18.**

Even though these debts are considered Net State Tax Support Debt, according the latest audit of LAFA conducted by the Legislative Auditor (August 2008), these bonds are "*limited to special obligations of the authority and do not constitute a general, special or moral obligation of the State.*" Currently, out of the approximate \$79.3M the department owes, \$31M cannot be paid off early. To the extent a mechanism is identified that would allow the legislature to appropriate \$58.3M of the \$865M prior year surplus toward debt service payments by the department, approximately \$12M of the annual debt cash flow would be reduced to \$1.6M. This could free up approximately \$10.4M of cash flow within the department from the race track slots revenue dedication. If this happens, it will allow the department more flexibility in reducing the FY 10 departmental budget or it could alleviate the need of \$10.4M

## FY 2010 MAJOR BUDGET ISSUES

in SGF for FY 10. The department currently receives \$12M in dedicated monies from racetrack slots, which is deposited into the LAFA Fund. Per statute, the department can spend this funding on the boll weevil program and any other items in the department's budget.

**Included within Act 122 of 2009 is \$15M appropriated from the FY 08 surplus funding for early debt payoff. To the extent the department can refinance its current debt, the \$15M could produce approximately \$5M of cash flow in FY 10.**

**Note:** The department also has approximately \$2.8M in annual debt service payments paid with SGR for feed, fertilizer and pesticide bond projects. These debt payments decrease approximately \$100,000 in each future fiscal year. In FY 14, the department will pay approximately \$300,000 in debt payments. If these specific debt service payments were also included within the pay off, in FY 10 the department could free up an additional \$2.8M in SGR for a total additional FY 10 cash flow of approximately \$12M. These bonds were originally backed by the rental income of LA Agricultural Finance Authority (LAFA), which is an off-budget entity.

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DEPT / AGY: Insurance

ISSUE: LA Citizens Property Insurance Corporation (Citizens)

In December 2005, the LA State Bond Commission approved a bond issue in the amount of \$978.205M to cover the deficit for the 2005 Fair and Coastal Plans that LA Citizens Property Insurance Corporation currently administers. These revenue bonds are not secured by the full faith and credit of the State. Thus, no State liability is involved within this bond transaction. As provided in R.S. 22:2307, these Citizens debt service payments will be paid by insurance companies' emergency assessments, which will be passed on to the consumer by policies issued under the following insurance subject lines: fire, allied lines, homeowners multi-peril, commercial multi-peril. The projected debt service payment for FY 10 is anticipated to be \$85.4M. Citizens recently refinanced its bond debt from auction rate bonds, whose interest rates fluctuated every 7, 28, or 35 days to 20 year fixed rate bonds at an approximate interest rate ranging from 3% - 6%. Due to the bond restructure, Citizens will save approximately \$18M per year over the bond repayment 20-year period.

Citizens can handle a \$500M storm without an emergency assessment or regular assessment based upon the amount of reserves and purchased reinsurance coverage. Variables that impact the amount of potential storm coverage include: reinsurance coverage and the number of storms, which allows for reserve build-up if no additional storms occur. Citizens has approximately 132,858 policies and \$28.2B in insured values. LA Citizens Property Insurance Corporation is a non-profit entity of the State created within statute, Title 22, and is not a budget unit within the appropriations bill or a program of the DOI. The DOI's role within Citizens is a policy one as Department employees are Citizens board members and regulatory as DOI reviews its rate filings.

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DEPT / AGY: Insurance

Commissioner of Insurance

ISSUE: Insure LA Incentive Program Fund Balance

**Before 2009 legislative actions, there was approximately \$75.5M unobligated within the Insure LA Incentive Program Fund.** Act 226 of 2009 abolished this fund within Title 22 (R.S. 22:2371) and directs the state treasurer to transfer unexpended monies to the state general fund for expenditure in FY 10. These expenditures are contained within the FY 10 section of Act 122 of 2009 and include various state expenditures across numerous departments.

In addition, Act 404 of 2009 abolishes the Homeowner Policy Premium Assistance Program. The homeowner policy premium assistance program, which was originally intended to be funded with the remaining balance within the Insure LA Incentive Program Fund, is essentially repealed via this bill.

NOTE: Act 390 of 2008 provided for a third invitation to the Insure LA Incentive Program and for any monies remaining within the program fund after the third invitation be allocated to the Homeowner Policy Premium Assistance Program. In addition, Act 469 of 2008 created the Homeowner Policy Premium Assistance Program, but provided if less than \$35M remained within the fund after the third offering, then the remaining monies would be used to accelerate payoff of the Unfunded Accrued Liability of the State retirement systems. These acts essentially repeal these provisions.



## FY 2010 MAJOR BUDGET ISSUES

Project Development Fund: Federal City (\$125M), NASA's Michoud Assembly Facility (\$55.5M) through the Department of Economic Development and Foster Farms (\$50M) through the Capital Outlay bill. The Federal City project is located at the Naval Base in Algiers and will convert that facility to offices available for lease to federal agencies and private businesses. The NASA/Michoud project is located in New Orleans East and will help support future space-related production projects at the facility. The Foster Farms project provides a 50/50 match funding for the purchase and upgrade of the Pilgrim's Pride chicken processing facility in Farmerville to continue operations.

### Approved Projects in May of FY 09:

Federal City	\$125,000,000
NASA/Michoud	55,500,000
Foster Farms	<u>50,000,000</u>
TOTAL	\$230,500,000
FUND BALANCE	\$187,683,091

On 6/23/09, the JLCB approved cooperative endeavor agreements for 2 additional projects to be funded through the Mega-Project Development Fund: V-vehicle (\$67M at the June JLCB + \$2M in Act 122 of 2009 appropriated for use in tailoring the FastStart training program) and SNF Holdings (\$26.55M through the Capital Outlay bill). The V-vehicle project is located in the former Guide plant in Ouachita Parish, near Monroe, and will become the first production facility for this type of alternative fuel vehicle. In addition to the state's interest, there is a local input of \$15M from Ouachita Parish (\$3.8M), Cities of Monroe (\$5.95M) and West Monroe (\$2.7M) and the non-profits OEDC Land Corporation (\$2M) and the I-20 Economic Development Corporation (\$0.55M). A federal grant of \$5M from the U.S. Department of Commerce will also be sought for a rail spur and other site preparation. In addition, the corporation is seeking a \$310M federal loan from the U.S. Department of Energy's Advanced Technology Vehicles Manufacturing Program to fund a large portion of the remaining capital. Approval of the loan has not yet been announced. On October 17, voters in Ouachita Parish approved a 1.8 mil property tax to help fund their portion of the local contribution. The SNF Holdings project is a chemical manufacturing plant to be located in Iberville Parish. The project will manufacture synthetic flocculants which are used to clarify water in water treatment applications. In addition to the \$26.55M incentive, the state will pay annual performance incentives of \$1.28M per year for 10 years probably beginning in FY 11, which will presumably be requested as SGF or LA Mega-Project Development Fund dollars in subsequent budgets.

### Approved Projects in June of FY 09:

V-vehicle	\$67,000,000
V-vehicle FastStart	2,000,000
SNF Holdings	<u>26,550,000</u>
TOTAL	\$95,550,000
FUND BALANCE	\$92,133,091

The JLCB approved on 8/28/09, a cooperative endeavor agreement for a frozen sweet potato processing facility owned by ConAgra Lamb Weston, Inc. The \$37.4M incentive allows for a project that involves the construction of a large-scale, frozen sweet potato processing facility near Delhi in Richland Parish in northeast LA with emphasis on state-of-the-art technology and environmentally conscious practices. The project is split into two phases with phase one to be completed by late 2010 employing at least 275 full-time workers. Phase two is scheduled for completion by February 2014 with at least 500 full-time employees. This funding will provide a grant to ConAgra for use in purchasing plant processing equipment and site infrastructure. It is expected that ConAgra will invest \$210M in the new facility, with a planned opening in November, 2010. After consideration of the ConAgra project, available funds in the LA Mega-Project Development Fund will fall to \$54.7M plus interest accrued beyond October, 2009.

### Approved Projects in August of FY 10:

ConAgra	\$37,400,000
FUND BALANCE (plus interest)	\$54,733,091

On 5/6/09, the Shaw Group withdrew from an agreement in which it would have received \$28.5M from the Mega-Project Development Fund along with other incentives totaling \$210M. The Shaw payment is related to the Shaw/Westinghouse project in Lake Charles to manufacture modules for nuclear reactors and other components used by chemical plants. Under this agreement, Shaw also agreed to keep its headquarters in Baton Rouge. The dollars were returned were appropriated to offset cuts in higher education, upon the request of the Shaw Group.

## FY 2010 MAJOR BUDGET ISSUES

DEPT / AGY: Culture, Recreation & Tourism Office of Tourism

### ISSUE: LA Tourism Promotion District

Act 1038 of 1990 created the LA Tourism Promotion District (LTPD) which receives three one hundredths of 1 cent of the sales and use tax for the purpose of assisting the state for out-of-state advertising and promoting tourism in LA.

The General Appropriation Bill (Act 10) transferred a number of initiatives from SGF funding to Tourism's SGR funds. The following passthroughs are to be funded with self-generated revenues for FY 10:

Independence Bowl -	\$334,018
FORE! Kids Foundation -	\$314,108
Essence Music Festival -	\$1,053,458
New Orleans Bowl -	\$311,752
Sugar Bowl -	\$1,395,000
Greater New Orleans Sports Foundation operating expenses -	\$604,500
Bayou De Famille Park -	\$465,000
<u>LA Special Olympics -</u>	<u>\$93,000</u>
Total	\$4,570,836

Additionally, funding in the amount of \$304,523 from the Audubon Golf Trail will be funded with LTPD funding.

Total passthroughs and programs to be absorbed by the LTPD - \$4,875,359

The FY 09 Existing Operating Budget for the self-generated LTPD funding is \$24,566,928. Adjustments made in Act 10, including a \$2.6M reduction in the revenue forecast for sales and use tax collections as approved by the Revenue Estimating Conference on 02/18/09 leaves a recommended funding level for FY 10 at \$21,988,655. After the pass throughs and programs are absorbed by the LPTD, \$17,113,296 remained for normal expenditures related to advertising and promoting tourism in LA. Act 122 (Supplemental Appropriations Bill) provided \$2M in SGF for the LTPD.

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DEPT / AGY: Transportation & Development

### ISSUE: State Funding Transportation Issues

Below is a listing state transportation issues. Due to the stimulus funding and the previous fiscal year surplus fund investments, the overall backlog of road construction projects has decreased from \$14B to \$12.5B.

#### Federal Highway Trust Fund (Federal Gas Tax)

According to the department, the Federal Highway Trust Fund (HTF) had to be bailed-out in the Fall of 2008 in the amount of \$8B from the federal general fund and again in July 2009 in the amount of \$7B. According to estimates provided by the Congressional Budget Office (CBO), the HTF balance will likely decrease in FY 10 and beyond. Unless a solution to this problem is found on the federal level, the projected shortfall for LA could be \$150M to \$200M in federal highway funds, which equates to approximately 25% of DOTD's total operating/capital budget. The HTF is funded with the 18.4 cent federal gasoline tax and this tax has lost ground to inflation over time. The current federal program (SAFETEA-LU) was scheduled to expire on 9/30/09.

#### State Gas Tax

The 16 cent state gas tax, which was enacted in 1984, currently has the buying power of approximately 7 cents. Historically gas tax revenues have grown approximately 2.5% per year since 1992. However, construction and operating inflation substantially exceed the growth rate; and personnel costs grow an average of 5% annually (*In FY 10, TTF is currently paying for approximately \$66.3M in departmental retirement, health & life insurance and retiree costs.*); and due to the hurricane events of 2005, construction costs have increased 25% to 30%.

Had the state tax been indexed in 1990, the tax would now be 26 cents, or 63% more in FY 10. According to the department, each penny is worth approximately \$30M; therefore an additional \$300M of potential revenues could have been generated. Currently, the Transportation Trust Fund (TTF-Reg.) generates approximately \$480M each fiscal year. If indexed, the TTF could generate approximately \$800M annually.

## FY 2010 MAJOR BUDGET ISSUES

The average price per gallon in 1984 was \$0.94, which was the year the state gas tax was enacted, and individuals paid approximately 17% per gallon for road infrastructure. Due to this tax being flat, the average price per gallon today is \$2.31, of which individual pay less, or 7% for road infrastructure.

### **Federal Stimulus Funds**

The state received a total of \$430M for highway infrastructure investment from the American Recovery & Reinvestment Act (ARRA). Of the \$430M allocated to the state, \$299M is for DOTD (24 projects), \$118M is for projects as determined by Metropolitan Planning Organizations (MPOs) (58 projects) and \$13M is for transportation enhancements such as bike lanes, sidewalks, landscaping, bus shelters, etc (10 projects). As of September 2009, of the \$299M allocated to DOTD, 21 of 24 projects have begun. Of the \$118M allocated to MPOs, 3 of 58 projects have begun. Of the \$13 M allocated for enhancements, 3 of 10 projects have begun.

### **State Surplus Funds**

A total of \$1.2B has been provided for road construction including \$600M out of \$695M allocated to DOTD in FY 07, \$396M out of \$473M allocated to DOTD in FY 08, and \$217M out of \$227M allocated to DOTD for bridges and roads in FY 09. Of the 140 projects to be constructed with the \$227M, 63 have begun.

### **Vehicle Sales Tax**

SB 11 (Act 11) of the 2008 Second Extraordinary Session provided that vehicle sales tax would begin to accrue to the TTF and be phased in over 7 years. A total of 10% was to be transferred to the TTF in FY 09. Due to the current year deficit, these funds will not be available to the TTF in FY 09 and will not be available in subsequent fiscal years until "... such time as the official forecast of the REC equals or exceeds the official forecast in effect prior to the projected deficit, at which time the reduction shall cease." The SGF revenue forecast as of 5/9/08 was \$9.7B. None of the forecasts by the REC currently exceed that amount. The latest adopted revenue forecast projects the following for SGF: FY 10 - \$8.1B, FY 11 - \$8.2B, FY 12 - \$8.5B, FY 13 - \$8.8B. Therefore, unless this statute is amended, it is unlikely that these funds will be available to the TTF in the near future. The distribution to the TTF was to be \$50 M in FY 10 at 20% and eventually reaching \$352M in FY 15 at 100% implementation based on the latest estimates adopted by the Revenue Estimating Conference.

To the extent SGF revenues increase up to or beyond \$ 9.7B, the phase-in of the vehicle sales tax would begin based upon the statute. For example, if FY 13 SGF revenue forecast is \$9.7B, then the phase-in would be 75% in FY 14, which could be approximately a \$254.7 M reduction in SGF revenues. La. R.S. 48:77 provides for a phase-in as follows: FY 09 - 10%, FY 10 - 20%, FY 11 - 30%, FY 12 - 50%, FY 13 - 75%, FY 14 - 85%, and FY 15 - 100%.

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**DEPT / AGY:** Transportation & Development

**ISSUE:** LaGOV Project (ERP) - Impact upon DOTD

DOTD is currently utilizing various Legacy information systems that are not on the current state financial system (ISIS). Thus, DOTD is required to complete double data entry in order to reconcile financial information with State Treasury and the Division of Administration (DOA). In fact, the current DOTD systems contributed to the department "losing" \$140M within the TIMED program. In addition, DOTD's current systems are written in an obsolete computer programming language (COBOL) and it is difficult to find programmers to work on the system and contractors to provide maintenance support.

A major component of the LaGOV Project (ERP) addresses all the major information system deficiencies that currently exist at DOTD. For DOTD, the LaGOV Project will replace all of their existing financial applications (Finance, Budget, Purchasing Federal Billing, Project Finance, Inventory and Vehicle) and several related engineering applications (Project Master, Linear Asset Management, Project Letting/STIP/Priority Program and Project Management). Due to the complicated process associated with federal billing, DOTD can only bill the Federal Highway Administration (FHWA) 5 times per month. Once the LaGOV Project is in place, DOTD will be able to bill the FHWA daily, which creates positive cash flow within DOTD. Currently, DOTD bills FHWA \$50M to \$100M per month and pays approximately \$240M to various contractors per month. To the extent their current systems do malfunction, DOTD could potentially be unable to pay its contractors or provide the necessary reports to the FHWA in order to draw down its federal funding.

According to the Division of Administration, the cost to bring only DOTD into the state's current financial system, will cost nearly the same amount as the total amount necessary to complete the state ERP solution, which is

## FY 2010 MAJOR BUDGET ISSUES

approximately \$101M. An estimate received by DOTD in 2004 by SAP for their own system was \$56M. However, if the LaGOV Project is stopped in favor of creating a DOTD only stand alone system, the total state cost will be approximately \$100M as the current expenditures to-date on the LaGOV Project are \$49.7M. DOTD is anticipating going live with the new system October 2010.

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**DEPT / AGY:** Transportation & Development

**ISSUE: TIMED Program**

The TIMED Program was established by Act 16 of the 1st Extraordinary Legislative Session of 1989 and designated 16 specific road/bridge projects. The original plan called for a designated funding stream, which is the 4 cent gasoline tax, that would have provided for a pay-as-you-go program. However, utilizing a pay-as-you-go-program the projected completion date for the program was 2031. Thus, in order to accelerate the program, the decision was made to bond out the remaining program. The first bond issuance of \$275 M occurred in 2002. To date, the following bond sales have occurred: 2002 - \$275M, 2005 - \$548M, 2006 - \$1.1B, 2009 - \$485M.

Approximately \$485M in bonds were sold in May 2009. These funds plus the \$140M that DOTD and State Treasurer recently determined was available for the program will enable the program to continue until mid 2010 before another bond sale will be necessary to complete the current projects. The final bond sale is estimated to be approximately \$500M and is anticipated to be made in the Fall 2010. These 2 bond sales are necessary to complete the current projects under construction, which are: Huey P. Long Bridge and Audubon Bridge. Of the 16 total constitutionally required projects, there are 2 that have not begun construction: LA 3241 and the Florida Avenue Bridge. The bond sale in May 2009 and the upcoming bond sale in Fall 2010 are for current projects in construction and remaining debt service payments of the 14 other projects and NOT the 2 projects that have not started construction.

The 4 cent gas tax collected for the TIMED Program will not be sufficient to cover future debt service payments. A portion of the 16 cent gas tax will ultimately be necessary in future years to fund these payments. Previous estimates by DOTD included up to 1/2 cent in FY 10 and 2.5 cents by 2045. This will impact DOTD's federal match abilities and its operating budget. Every cent of gas tax equates to approximately \$30M of revenue. Based upon the debt service payment schedule, the FY 10 total debt service payment for all debt payments and administrative costs is \$124.8M, while the REC latest adopted TTF-TIMED projection for FY 10 is \$118.4M. Approximately \$6.4M of TTF Regular (16 cent gas tax) will be utilized to pay the remainder. Since 1 cent generates \$30M the \$6.4M represents 1/5 of 1 cent of gas tax collections.

Currently, the total projected TIMED Program costs are \$5.2B (includes LA 3241, Florida Avenue Bridge), while upon the completion of the bond sale in the Fall of 2010, total revenues for the program will be \$4.65B. DOTD is in the process of determining the best financing mechanism for completing the final 2 constitutionally required road/bridge projects.

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**DEPT / AGY:** Public Safety

Office of Motor Vehicles

**ISSUE: Next Generation Motor Vehicle Project (NGMV)**

The Next Generation Motor Vehicle (NGMV) project was intended to be the replacement of an outdated computer platform used for drivers' licenses and titles. The project was intended to consolidate the drivers' license and motor vehicle registration computer systems into a more efficient system. The new system was also intended to allow for a reduction in customer wait times and the ability to accept various forms of payment. However, the Department of Public Safety (DPS) has terminated this project.

**Project Expenditures To Date**

Original project estimates in 2000 were \$25M. To date, DPS has expended approximately \$32.4M on this project from FY 01 to FY 09 and does not have a workable product. Unisys indicated to DPS in Fall 2008 that an additional \$10 M would be needed to complete all the deliverables outlined within the current contract. The decision was made by DPS to terminate the project because of its escalating costs. According to DPS, of the 8 functionalities of the system, 6 functionalities were tested and completed. However, those 6 functionalities do not work properly together, thus DPS does not have a workable product and significant funding could be necessary for completion beyond the original cost estimates. The original contracts executed for this project totaled \$25.9M before contract change orders.

## FY 2010 MAJOR BUDGET ISSUES

Those amounts by Phase are as follows: Phase I - \$500,000, Phase II - \$18,872,839, and Phase III - \$6,559,243. The actual expenditures to date are approximately \$32.4M, which includes various change orders. If the Department were to continue with the current contract of \$21M, in which DPS currently owes \$10.6M, and had executed the additional funding need of \$10M, the total cost of this project would have been approximately \$52M. To the extent that additional unforeseen issues could have arisen, the total costs would likely have exceeded \$52M.

### **Project Accountability**

In February 2005, DPS entered into a professional services contract with Methods in the amount of \$315,000 for NGMV project oversight. This contract was renewed in March 2008 in the amount of \$498,000. Methods was charged with the responsibility of overseeing the project and providing DPS monthly status reports. To date, DPS has paid Methods approximately \$523,000 and according to Methods, DPS owes them approximately \$90,000 for work completed from August 2008 to December 2008. The purpose of the oversight contractor is to be the non-biased third party that provides status reports and recommendations to project management. These reports provided project leaders with the current status of the project, discussion of project risks, discussion of on-going risks and recommendations to DPS.

Based upon monthly status reports provided by the oversight contractor, Methods Technology (Methods), the following problem areas are evident:

- Numerous communication problems between Unisys and Office of Motor Vehicles (OMV).
- Unknown as to whom at DPS was directly responsible for reviewing the third party oversight monthly reports and if DPS management was made aware of these issues and made changes based upon Methods' recommendations.
- Various change order requests and project cost escalation.
- Numerous personnel changes at Unisys and OMV throughout the term of this project.

### **Current Unisys Contract/Legal Recourse**

Currently, DPS is considering legal recourse against Unisys for its failed attempts throughout the course of this project. Under the current Unisys contract of \$21M, which was signed in March 2008 by DPS and Unisys, DPS has paid approximately \$10.6M to date with \$10.4M remaining to be paid. The contract period is from 4/1/08 thru 11/30/09. Currently written in the contract are 3 different methods to terminate. Those include: termination for cause, termination for convenience and termination for non-appropriation of funds. DPS terminated the contract for convenience, which entitles Unisys to payment for deliverables in progress to the extent work has been performed satisfactorily. This is the current issue being negotiated. There is currently \$1.4M in unpaid invoices, as the Colonel of State Police and the Undersecretary of DPS have decided not to pay those invoices until there is a legal resolution. To the extent legal action does materialize on this specific issue, then a highly specialized IT legal counsel on contract could be needed. The cost of this counsel is not known at this time and currently DPS' legal staff is advising DPS management on this issue. According to the Attorney General's Office, which reviews legal contracts, the standard rate for outside counsel is \$120 - \$175 per hour. If outside IT legal counsel is needed, DPS is unsure at this time how to fund this potential expenditure.

### **Future IT System Plans**

Due to this project being terminated, the OMV now intends to update their current Legacy system and replace their Unisys processor that works with Legacy as a temporary solution. The projected cost of this upgrade is approximately \$700,000, which will be funded with existing funds from the OMV Customer Service Technology Fund (OMV Tech Fund). According to DPS, the salvageable items from NGMV, which represents minor elements of the whole project, could potentially be utilized for in-house development of system documentation, which educates the programmer on the intricate details needed for an OMV system, and the architecture framework of the system (leveraging the database structure). Preliminary estimates by DPS for the long range IT solution range from \$4M - \$6M for an in-house solution, to \$15M for an off-the-shelf solution. Currently, DPS is researching an in-house solution, but is also balancing this decision based upon other IT systems it is required to maintain, which include the sex offender tracking system, computerized criminal history system (CCH) and the automated finger printing information system (AFIS). Also, the current Legacy system is written in COBOL programming language, which is the oldest active computer programming language still in use. DPS currently has 8 COBOL programmers on its IT staff. To the extent those individuals were to leave for the private sector, their current Legacy system could be negatively impacted while the new in-house system is written and designed.

### **\$2.50 Fee**

The specific funding mechanism for this project is Act 1 of the 2000 1st Special Session, which increased the OMV handling fee from \$5.50 to \$8 with the \$2.50 increase being deposited into the OMV Tech Fund (R.S. 32:412.1(C)). This fund generates approximately \$6.2M each fiscal year. The language in statute is written broadly allowing

**FY 2010 MAJOR BUDGET ISSUES**

various motor vehicle technology projects to be funded with this revenue source. The FY 09 Deficit Reduction Plan reduced NGMV expenditures in the amount of \$2.5M, which ultimately resulted in increasing the recurring expenditures within the OMV Tech Fund. Before the Reduction Plan, OMV had technology projects funded with SGR and NGMV funded with the OMV Tech Fund. Terminating this project alleviates approximately \$2.5M within the OMV Tech Fund to be expended on other OMV technology projects that are currently funded with SGR. In addition, included within FY 10 is a \$4M reduction of SGR, which ultimately increases the recurring expenditures within the OMV Tech Fund by moving other recurring project expenditures from SGR to the OMV Tech Fund. Essentially DPS can now move other recurring tech expenditures from SGR to OMV Tech Fund due to the total reduction of \$6.5M SGR (FY 09 & FY 10). To the extent the OMV Tech Fund has recurring expenditures, the \$2.50 fee will most likely not be eligible for reduction, unless those expenditures are reduced. If the OMV Tech Fund has one-time expenditures such as acquisitions and professional services contracts; it is possible that the \$2.50 fee could be reduced over time.

**DEPT / AGY:** Public Safety Office of Motor Vehicles  
**ISSUE:** Office of Motor Vehicles (OMV) Fees and Self-generated Revenues (SGR)

The Office of Motor Vehicles (OMV) collects approximately \$100M in SGR from the OMV handling fee and other miscellaneous fees each fiscal year; and as it stands now, there is a projected \$8.5M of OMV Transfer-in fees still available for state expenditure in FY 10. Below is a table of the past 4 years and the proposed FY 10 budget year. The table also illustrates how much OMV transfer-in revenues are currently recommended for FY 10 within various DPS agencies.

	<b>PRIOR YEAR FY 06</b>	<b>PRIOR YEAR FY 07</b>	<b>PRIOR YEAR FY 08</b>	<b>PRIOR YEAR FY 09</b>	<b>Act 10 FY 10</b>
<b>EXPENDITURES:</b>					
Office of Management and Finance	\$20,643,053	\$19,400,820	\$19,735,922	\$23,326,701	\$22,082,987
LA State Police	\$21,869,202	\$19,683,840	\$17,908,413	\$24,228,103	\$38,752,474
Legal Affairs	\$3,099,215	\$2,961,874	\$3,488,192	\$4,058,569	\$4,039,493
<u>Highway Safety Commission</u>	<u>\$150,074</u>	<u>\$148,165</u>	<u>\$160,486</u>	<u>\$160,362</u>	<u>\$130,724</u>
Total Transfer Out	\$45,761,544	\$42,194,699	\$41,293,013	\$51,773,735	\$65,005,678
<u>Office of Motor Vehicles</u>	<u>\$48,225,208</u>	<u>\$49,006,931</u>	<u>\$49,752,301</u>	<u>\$49,737,022</u>	<u>\$42,210,357</u>
<b>TOTAL OMV FEES</b>	<b><u>\$93,986,752</u></b>	<b><u>\$91,201,630</u></b>	<b><u>\$91,045,314</u></b>	<b><u>\$101,510,757</u></b>	<b><u>\$107,216,035</u></b>
<b>REVENUE COLLECTIONS:</b>					
Miscellaneous Collections	\$83,576,629	\$81,647,963	\$90,072,316	\$89,749,400	\$93,423,974
Transfer-in (Handling Fee)	\$6,209,427	\$9,674,615	\$7,207,696	\$7,207,696	\$14,518,810
<b>Prior Year Cash</b>	<b><u>\$10,127,728</u></b>	<b><u>\$5,927,032</u></b>	<b><u>\$6,047,980</u></b>	<b><u>\$12,282,678</u></b>	<b><u>\$7,729,017</u></b>
Projected Collections	\$99,913,784	\$97,249,610	\$103,327,992	\$109,239,774	\$115,671,801
<b>Balance</b>	<b><u>\$5,927,032</u></b>	<b><u>\$6,047,980</u></b>	<b><u>\$12,282,678</u></b>	<b><u>\$7,729,017</u></b>	<b><u>\$8,455,766</u></b>

The OMV collects approximately \$100M in fees each year for expenditure, but the OMV agency itself only spends approximately 51 - 55% each fiscal year on OMV expenditures. The remaining OMV collections used for expenditures budgeted within other public safety agencies as a budgeted revenue source are called OMV Transfer-in and classified within that agency as SGR.

NOTE: The Handling Fee revenues have had a large increase due to the department no longer needing a handling fee reserve to make bond payments for the new DPS compound. Thus, \$8.4M of additional SGR is eligible for expenditure in FY 10 and beyond. Of the \$8,455,766 balance, \$8.4M can be considered one-time monies.

*A JLCB approved August 2009 BA-7 appropriated \$3,213,542 of the \$8.4M available revenue within Public Safety - Office of Management & Finance. Thus, there is approximately \$5.2M of unappropriated OMV Transfer-in fee revenues that are available for expenditure in FY 10 and beyond.*

**DEPT / AGY:** Public Safety Motor Vehicles  
**ISSUE:** Office of Motor Vehicles (OMV) - \$8 Handling Fee

## FY 2010 MAJOR BUDGET ISSUES

The Office of Motor Vehicles (OMV) collects in excess of \$100M of fees every fiscal year of which \$12M to \$14M is derived from the OMV handling fee (R.S. 32:412.1). Below is a description of the various pieces to the \$8 handling fee all citizens pay for the majority of motor vehicle transactions.

### **\$5.50 Fee**

Act 291 of 1990 enacted a \$5.50 Office of Motor Vehicle Handling Fee on most OMV transactions. For the first 10 years of existence, this fee was classified within the OMV as fees and self-generated revenues along with other self-generated collections. However, in 2000 upon securitizing the bonds for the current DPS Compound, DPS created an escrow account with the repayment of the bonds being a portion of the \$5.50 handling fee. The technical mechanism involves DPS collecting the \$5.50 fee, depositing those revenues into escrow, the escrow is utilized to pay the bond payment and the remaining funding is appropriated within OMV and other DPS agencies. Currently, approximately half of the handling fee revenues, or approximately \$6.9M annually, are utilized for debt service payments for the current DPS Compound, while the remaining handling fee revenues are appropriated within the OMV, State Police, Highway Safety Commission, Legal Affairs and the Office of Management & Finance.

Overall, of the collected fees each year for expenditure, the OMV agency spends approximately 51 - 55% each fiscal year on OMV expenditures. The remaining OMV collections are used for expenditures budgeted within other public safety agencies as a budgeted revenue source and are called OMV Transfer-in and classified within that agency as SGR. The handling fee is included within the OMV's total SGR.

### **Current Fiscal Impact**

Contained within the General Appropriation Bill (HB 1) is language that allows for DPS to carry forward all remaining SGR into the next fiscal. This language prevents these funds from reverting to the state general fund at the end of the fiscal year. Before the approval of the August 2009 BA-7 of \$3.2M (DPS-OMF), there was still approximately \$8.4M of unappropriated SGR (\$5.50 handling fee) available. Under the initial bond agreement, DPS was to have within its escrow account one year's worth of debt service payments. However, upon refinancing this debt in 2007, that provision is no longer required. Historically, over the past 10 years the OMV has carried forward into the next fiscal year approximately \$7.8M of unappropriated SGR, which were appropriated in the next fiscal year. *To the extent that the SGR carryforward language is removed from future HB 1s, the revenue estimating conference (REC) could include within its adopted revenue forecast the additional recurring \$7.8M of collections over-budget that would revert to the SGF as a result of this language being removed.*

### **Bond Payment**

As mentioned above, DPS pays approximately \$6.9M annually to pay back bonds that were utilized to finance the current DPS Compound and the Joint Emergency Services Training Center (JESTC). In 2007, these separate bond issues were refinanced into one annual debt service payment. The terms of the new arrangement included \$62.9M of principal at an interest rate of 5%. According to the latest bond repayment schedule, the department will complete repayment by 2021. However, DPS will have an additional \$7M of available SGR for annual appropriation. *To the extent additional handling fees are utilized to pay additional debt, the department could save in interest costs, which is currently projected to be a total of \$23.9M over the 12-year repayment period.*

The table below reflects the remaining debt service for repayment of the bonds.

<b><u>Year</u></b>	<b><u>Annual</u></b>		
<b><u>August 1</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Debt Service</u></b>
2008	\$2,400,000	\$2,611,890	\$5,011,890
2009	\$3,870,000	\$3,024,750	\$6,894,750
2010	\$4,065,000	\$2,831,250	\$6,896,250
2011	\$4,265,000	\$2,628,000	\$6,893,000
2012	\$4,480,000	\$2,414,750	\$6,894,750
2013	\$4,705,000	\$2,190,750	\$6,895,750
2014	\$4,930,000	\$1,955,500	\$6,885,500
2015	\$5,185,000	\$1,709,000	\$6,894,000
2016	\$5,440,000	\$1,449,750	\$6,889,750
2017	\$5,720,000	\$1,177,750	\$6,897,750
2018	\$6,000,000	\$891,750	\$6,891,750
2019	\$6,300,000	\$591,750	\$6,891,750
2020	\$2,700,000	\$276,750	\$2,976,750
2021	\$2,835,000	\$141,750	\$2,976,750
<b>TOTAL</b>	<b>\$62,895,000</b>	<b>\$23,895,390</b>	<b>\$86,790,390</b>

## FY 2010 MAJOR BUDGET ISSUES

### \$2.50 Fee

The other portion of the \$8 handling fee is \$2.50, which is deposited into a statutory dedicated fund. Act 1 of the 2000 1st Special Legislative Session increased the OMV handling fee from \$5.50 to \$8 with the \$2.50 increase being deposited into Office of Motor Vehicles Customer Service & Technology Fund (OMV Tech Fund) (R.S. 32:412.1(C)). This fund generates approximately \$6.2M each fiscal year. The language in statute is written broadly allowing various motor vehicle technological projects to be funded with this revenue source.

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DEPT / AGY: Health & Hospitals Medical Vendor Payments

### ISSUE: Disproportionate Share Hospital (DSH) Payment CAP

The Uncompensated Care Costs (UCC) Program in Medical Vendor Payments provides disproportionate share hospital payments (DSH) to qualifying hospitals for certain uncompensated care costs associated with serving uninsured and indigent patients. DSH payments consist of both state and federal matching funds. The federal government restricts the amount of federal DSH funds annually through the implementation of a federal DSH cap per state. Any additional UCC payments the state may choose to reimburse over the federal cap would require 100% SGF (the state loses the ability to leverage state dollars). The state and federal cap for LA in FY 10 is \$1,082,620,914, of which the federal funds cap portion is approximately \$731.96M (assumes a 67.61% DSH federal match rate, which represents a 3.7 % point decrease from the matching rate of 71.31% in FY 09).

The General Appropriation Bill appropriates \$881.3M in UCC for various providers in FY 10, of which \$616.6M is federal match. This appropriated level of DSH funding places the state approximately \$115.3M from the federal DSH cap allowed for FY 10. FY 10 DSH funds are allocated as follows:

\$455,269,165	HCSD
\$36,521,776	E.A. Conway
\$28,558,096	H.P. Long
\$136,905,872	Shreveport
\$1,026,000	Villa
\$103,342,871	OMH public Psyc free standing units
\$66,688,618	Rural hospitals and hospital based clinics
\$7,000,000	Other DSH hospitals (non-rural)
\$35,000,000	Community Hospital Pool
<u>\$11,000,000</u>	Other hospitals (MHERE's and psyc. beds)
\$881,312,398	Total UCC appropriated @ HB 1 Enrolled (state and federal funds - 32.39% state, 67.61% federal)

Note: Not all of the appropriated UCC is matched in DHH's budget for FY 10. A portion of the state hospitals are funded with 100% UCC federal funds (no state match) only. To the extent that the hospitals will earn the entire allocation of UCC appropriated, the hospitals will be required to match the unmatched portion (approximately \$30.1 M SGF needed for HCSD).

**Note:** The American Recovery & Reinvestment Act of 2009 provides for a temporary increase in the DSH allotment for states (LA's current DSH cap is \$731.9M). Specifically, LA is allowed to increase the federal DSH cap by 2.5% in FY 10 (increasing the federal cap authority to \$750.259M) and another 2.5% in FY 11 (increasing the federal cap authority to \$769,015,475). Any additional DSH funding requires approximately 32.39% state match.

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DEPT / AGY: Health & Hospitals Medical Vendor Payments

### ISSUE: Uncompensated Care Costs (UCC) Hospital Pool

Uncompensated Care Costs payments in the Community Hospital Pool are paid to non-state and non-rural hospitals that historically did not qualify under the Medicaid state plan (before 2007). Funding for the community hospital pool is reduced by \$52M for FY 10.

### Community Hospital Pool Funding History

FY 07                      FY 08                      FY 09                      FY 10



## FY 2010 MAJOR BUDGET ISSUES

\$362.3 M - HCSD  
\$317.2 M - Road Hazard  
\$121.2 M - Medicaid Trust Fund for the Elderly  
\$800.7 M - Total disallowance through 12/31/09

\$362M - Disproportionate Share Hospital (DSH) overpayments from DHH to Health Care Services Division Hospitals over a 10-year period. These payments were audited and determined to be in excess of what is considered allowable by the Centers for Medicare & Medicaid Services (CMS). CMS is seeking the federal share associated with the overpayment. DHH has indicated that only a portion of the \$362M, or \$286M, is estimated to be required to be paid back due to potential payment offsets (federal funds associated with Medicaid claim payments due to the state hospitals). DHH has indicated this disallowance is considered pending.

\$317M - Federal fund overpayments by the Division of Administration (DOA) to cover the cost of Road Hazard insurance premiums in the Road Hazard Program. Information received from the Office of Risk Management (ORM) in the DOA indicates that agency federal funds generated from premium reimbursements that are used to cover various insurance lines were diverted to cover other insurance lines (the Road Hazard) that were not funded. The federal Division of Cost Allocation has ruled this action improperly allocated federal funding, in large part from the DHH, to pay insurance claims from the Road Hazard insurance line (that had no federal funding participation). **Note:** The Road Home disallowance continues to accrue interest payments that the state will be required to pay back to the federal government. The interest rate is approximately 12% annually. Information received from DHH indicates that as of 9/1/2009, the projected Road Hazards disallowance, including accrued interest, is projected to be \$309.2M, and \$317.2 M by 12/31/09..

\$121M - Federal fund overpayments made to nursing homes (non-state government owned) as the result of an Intergovernmental Transfer (IGT) between DHH and the respective facilities. Information received from DHH indicates that CMS has determined an error in the calculation of the federal reimbursement, resulting in \$120M in overpayments. The funds were deposited into the Medicaid Trust Fund for the Elderly (MTFE).

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**DEPT / AGY:** Health & Hospitals Medical Vendor Payments  
**ISSUE:** Non-recurring Revenues Used for Recurring Medicaid Expenditures

The FY 10 Medicaid budget contains both stimulus and additional non-recurring revenue sources used to fund recurring expenditures. Total revenues that will not be available in their entirety in FY 11 include:

\$568.8M - Enhanced FMAP (\$26.9M earned in FY 09 and the balance projected to be earned in FY 10)  
appropriated in Payments to Privates, Publics, and Buy-ins  
\$26M - MATF appropriated in Act 122 for partial restorations to the private provider program  
\$48M - State general fund revenues transferred from DHH program offices (supplanted with one time SSBG)  
\$42.3M - MATF excess (one time revenues) and MATF interest earnings used in Medicaid  
\$1.3M - Funding from the Medicaid Trust Fund for the Elderly in Payments to Privates Program  
\$20.5M - Funding from the Medicaid Trust Fund for the Elderly in Privates (funded from Act 122)  
\$19.6M - Revenues from the NOW fund (one time surplus deposited into NOW)  
\$19.5M - MOF swap in Senate Finance adding federal stimulus  
\$2.5M - MATF appropriated in Act 122 for additional UCC to public and private rural hospitals  
\$2M - Social Services Block grant funding for coordinated care program in Medical Vendor Administration  
\$708.2M

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**DEPT / AGY:** Natural Resources  
**ISSUE:** Coastal Protection & Restoration Funding

It has been estimated that rebuilding LA's coast will cost \$14B over the next 30 years. The following is a comprehensive list of the various funding streams for coastal protection and restoration according to the Department of Natural Resources.

## FY 2010 MAJOR BUDGET ISSUES

### Oil and Gas Revenue

Traditional funding from oil and gas revenue in accordance with Article VII Section 10.2 which is deposited into the Coastal Protection & Restoration Fund. This is a dedication from severance taxes, royalty payments, bonus payments and rentals of state water bottoms. The current year official estimate of this is \$35M, but funding in Act 10 of 2009 includes prior year deposits.

### Coastal Wetlands Planning & Restoration Act (Breaux Act)

This is a dedication of federal fuel highway user taxes collected in the state from consumers for non-highway fuel consumption (boats engines, off road vehicles, etc.). The dedication generates about \$65M per year, \$60M of which is used to construct coastal restoration/protection projects. It requires a 15% state match which comes from the Coastal Protection & Restoration Fund.

### Coastal Impact Assistance Program (CIAP)

The 2005 Federal Energy Act authorized a federal program to assist states in offsetting the effect of offshore oil and gas production and is allocated according to offshore production. It has been authorized for 4 years for an estimated amount of \$135M per year (may vary a little as production calculations are done annually). The funding is split between the state (65%) and parish (35%). The state will get approximately \$63.6M this fiscal year.

### Surplus Funding

During the 2007 Regular Legislative Session, \$200M of SGF surplus (non-recurring FY 06 surplus) was appropriated to DNR and DOTD for coastal restoration and flood control. A breakdown of this appropriation is as follows: \$52.7 M for hurricane protection and evacuation, \$124.8M for coastal restoration, \$22M for science and technology and \$500,000 for emergency reserve.

During the 2008 2nd Extraordinary Legislative Session, \$300M of SGF surplus (non-recurring FY 07 surplus) was appropriated to DNR for coastal restoration and protection. A breakdown of this appropriation is as follows: \$160.5 M for hurricane protection, \$110M for coastal restoration, \$16M for innovative coastwide initiatives, and \$13.5M for emergency reserve/ accelerated advancement of high priority items.

During the 2009 Regular Legislative Session, \$300M of SGF surplus (non-recurring FY 08 surplus) for DNR to be used for federally authorized projects for hurricane protection and associated measures to restore coastal lands and wetlands, including barrier islands, freshwater diversions and marsh creation.

### Federal Offshore Revenue Sharing

In conjunction with the authorization to open up drilling in an additional 8.3 million acres in the Gulf of Mexico, Congress authorized states to share in 37.5% of the royalty derived from the production when the production goes on-line. It is estimated that when the production goes on-line in 9 years (2017), LA will get approximately \$400 - \$600 M a year. LA has received its 1st payment of \$6.3 M and it is included in HB 1.

### Water Resources Development Act (WRDA)

A recently passed authorization for the Federal Water Resources Development Act included \$7B for LA. This however is only an authorization and must receive a separate appropriation which may or may not be \$7B. Generally, the WRDA requires a 35% state match which would require LA to pay \$2.4B.

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**DEPT / AGY:** Environmental Quality

**ISSUE:** Waste Tire Management Fund Collections Lag Processing Claims

The Waste Tire Management Fund (Waste Tire Fund) has experienced a chronic deficit in fee collections necessary to meet the payments to waste tire processors. In FY 08, the Waste Tire Fund averaged slightly more than \$58,000 a month less in fee collections than program costs (which included processor payments due, administrative costs, and marketing costs). In the current year, fee collections are again running short of paying obligations resulting in an unpaid balance of processor payments due through 3/31/09 of \$633,638, DEQ is estimating a FY 09 end of year deficit in this fund of approximately \$900,000 (rounded up) in the current year. This represents a projected deficit of approximately 8%. HB 881 of the 2009 Regular Session (Act 122) provides for the transfer of Statutory Dedications from the Overcollections Fund of \$900,000 for deposit into the Waste Tire Management Fund for FY 2009. Act 513 of 2008 provided for the transfer of \$700,000 in SGF to the Waste Tire Fund for payments to processors to cover the collections deficit during FY 08.

## FY 2010 MAJOR BUDGET ISSUES

Fees on tires are restricted in LA R.S.30:2418(I) to no more than \$2 per passenger/light truck/ small farm service tire, \$5 per medium truck tire, and \$10 per off-road tire. This same statute requires that a permitted waste tire processing facility be paid a minimum of \$1.50 per 20 pounds of waste tire material that is recycled or that reaches end-market uses or per 20 pounds of whole waste tires marketed and shipped to a qualified recycler. DEQ rules provide for a fee of \$1.25 for each recapped or retreaded tire and that no fee is to be collected on tires weighing more than 500 pounds or solid tires. These rules require a processor to verify the number of waste tires received and limits each processor to accepting no more than 5 unmanifested tires per day per customer. DEQ rules also allow up to 10% of the waste tire fees collected to be utilized for program administration. DEQ has indicated that the recurring shortage in fee revenue collected to pay waste tire processors is systemic and due to tire weights increasing over time. According to DEQ, the average weight of (especially) passenger/light truck/small farms service tires has increased over time whereas the fees have remained the same. It is likely that without adjustment to either the fees or reimbursement rates to processors, the Waste Tire Fund will continue to run short of fee collections to pay processors in subsequent years.

**DEPT / AGY:** Wildlife & Fisheries

**ISSUE:** Aquatic Plant Control Funding

<u>Funding Source</u>	<u>FY 07</u>	<u>FY 08</u>	<u>FY 09</u>	<u>FY10</u>
Conservation Fund	\$1,100,000	\$4,600,000	\$4,400,000	\$6,600,000
Aquatic Plant Control Fund	800,000	1,133,000	3,133,000	660,000
Federal	798,000	798,000	798,000	700,000
Total	\$2,698,000	\$6,531,000	\$8,331,000	\$7,960,000

Performance Indicator				
Acres Treated	31,260	51,260	59,260	55,446

Actual Acres Treated	31,136	58,765	*39,419	N/A
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\* As of 03/31/09

Budget authorization for the Aquatic Plant Control Fund in both the FY 08 and FY 09 budget from the boat trailer tax is \$1.133M. The 4-year average for this revenue source is \$565,508 annually. These funds are collected by the Department of Public Safety for each registered boat trailer (\$3.25 per trailer) and deposited by the Treasury into this fund for treating water bodies for undesirable aquatic vegetation.

An additional \$2M in SGF was placed into the Aquatic Plant Control Fund in FY 09. This funding enabled the department to treat additional acres of aquatic vegetation and to develop research partnerships with state universities on alternative uses and treatment methods for nuisance aquatic plants. Act 10 (General Appropriation Bill) replaced the SGF with funding from the Conservation Fund in the same amount.

Act 10 also includes an adjustment to align expenditures with anticipated revenues in the Aquatic Plant Control Fund. This adjustment reduces the budget authorization by \$473,000, leaving \$660,000.

**DEPT / AGY:** Wildlife & Fisheries

**ISSUE:** Conservation Fund

The Conservation Fund is a statutorily dedicated fund that supports the programs and operations of the Department of Wildlife & Fisheries. Despite the fact that there have been several infusions of revenue in recent years, operational costs are exceeding recurring revenues. For this reason an estimated deficit of approximately \$3 M in FY 12 is projected.

## FY 2010 MAJOR BUDGET ISSUES

DEPT / AGY: Other Requirements

Supplemental Pay to Law Enforcement

**ISSUE: Supplemental Pay to Local Law Enforcement**

Included within Act 10 of 2009 is \$117.3M total funding for Supplemental Pay to Local Law Enforcement Personnel (20-966). This is an increase of \$18,271,900 over FY 09 existing operating budget. Act 10 includes a \$75 per month per individual increase for Deputy Sheriffs, Municipal Police, and Firefighters. Act 664 of 2008 increased the per month state supplement from \$425/month to \$500/month or \$5,100/year to \$6,000/year. Included within the FY 10 budget is an increase in SGF in the amount of \$18.3M to account for Act 664. The programmatic breakdown of this increase is as follows: Municipal Police - \$5,362,500, Firefighters - \$4,541,400, Deputy Sheriffs - \$8.368M. The projected number of participants utilized to calculate this adjustment are: Municipal Police - 5,958, Firefighters - 5,046, Deputy Sheriffs - 9,298.

NOTE: Act 387 of 2009 provides for a certain group of firefighters to receive supplemental pay. This bill essentially extends the original grandfather clause included within current statute to those individuals it originally intended to protect upon enactment in 1986. Current law already excludes firefighters hired after 3/31/86 from the year of service and training/certificate requirements (R.S. 33:2002 (A)(2)). However, to the extent those firefighters were to leave the fire service, essentially losing grandfather clause protections, those individuals would not be eligible to receive state supplemental pay if those same individuals reentered fire service due to not having completed the National Fire Protection Association Standard 1001 Firefighter I or training and certification from a fireman's training program as approved by the LSU Firemen Training Program. DPS has identified 10 individuals who have returned to fire service and previously received state supplemental pay under the grandfather clause protection, but now are currently not eligible due to the lack of certification. The projected cost is \$60,000 SGF per year. This is not currently funded in FY 10.

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Louisiana Legislative Fiscal Office

## **Section V**

## **TABLES**

Fiscal Year 2009-2010

**Breakdown of the Temporary Assistance for Needy Families (TANF)  
Funding for FY 10**

**Literacy**

LA4 Pre-K Program	\$27,000,000
Early Childhood Prevention/Intervention Services	\$4,550,000
Private Pre-K Program	\$7,500,000
After-school Education	\$7,600,000
Truancy Assessment	\$744,470
General Education Development (GED) Test	\$400,000
Jobs for America's Graduates (JAGS)	\$3,950,000
<i>Total</i>	<i>\$51,744,470</i>

**Employment**

Micro Enterprise Development	\$600,000
<i>Total</i>	<i>\$600,000</i>

**Family Stability**

CASA Program	\$3,670,000
Drug Court	\$5,000,000
Residential Substance Abuse Services	\$4,166,666
Domestic Violence	\$3,700,000
Community Response Initiatives	\$3,000,000
Abortion Alternative Services	\$1,500,000
Low-Income Father Parenting Initiatives	\$1,750,000
LA Nurse Family Partnership	\$4,700,000
Solutions to Poverty	\$400,000
<i>Total</i>	<i>\$27,886,666</i>

**Other**

Individual Development Accounts (IDA)	\$1,500,000
Earned Income Tax Credit (EITC)	\$1,200,000
Child Protection Investigation Services	\$20,978,971
Freedom Schools	\$2,000,000
Homeless Families	\$1,000,000
Early Headstart	\$1,677,609
Teen Pregnancy Prevention	\$4,400,000
Early Childhood Supports & Services Program	\$1,000,000
<i>Total</i>	<i>\$33,756,580</i>

***Grand Total*** ***\$113,987,716***

**Louisiana Education Quality Trust Fund - 8(g) 1986-87 to 2008-09**

Beginning 1986-87 Fund Balance - \$540,699,504 with Annual Interest and Royalty Deposits

<b>Permanent Fund:</b>	<b>1991-92</b>	<b>1992-93</b>	<b>1993-94</b>	<b>1994-95</b>	<b>1995-96</b>	<b>1996-97</b>	<b>1997-98</b>	<b>1998-99</b>	<b>1999-2000</b>
<i>Cash Value</i>	\$619,328,374	\$643,120,282	\$668,019,726	\$694,429,303	\$689,578,656	\$707,258,020	\$728,166,189	\$762,108,629	\$799,726,036
Investment Income	\$16,062,475	\$16,837,803	\$16,738,336	\$14,135,788	\$13,186,900	\$14,303,306	\$27,795,972	\$33,409,785	\$18,104,819
Royalties Income	\$7,729,433	\$8,061,641	\$9,671,241	(\$18,986,435)	\$4,492,464	\$6,604,864	\$6,146,468	\$4,207,622	\$4,667,297
<b>Total</b>	<b>\$643,120,282</b>	<b>\$668,019,726</b>	<b>\$694,429,303</b>	<b>\$689,578,656</b>	<b>\$707,258,020</b>	<b>\$728,166,190</b>	<b>\$762,108,629</b>	<b>\$799,726,036</b>	<b>\$822,498,152</b>
<b>Permanent Fund:</b>									
<i>Market Value</i>	<b>\$694,049,097</b>	<b>\$733,707,182</b>	<b>\$680,917,755</b>	<b>\$704,490,462</b>	<b>\$713,702,637</b>	<b>\$760,195,407</b>	<b>\$817,056,699</b>	<b>\$817,998,820</b>	<b>\$823,520,329</b>
<b>Support Fund:</b>									
Investment Income	\$42,464,458	\$48,187,425	\$50,513,410	\$50,215,008	\$38,689,042	\$38,077,244	\$39,941,397	\$40,406,672	\$43,836,613
Royalties Income	\$8,305,319	\$5,548,300	\$6,544,923	\$11,373,722	\$33,760,696	\$13,477,394	\$19,814,592	\$18,439,406	\$12,622,864
<b>Total</b>	<b>\$50,769,777</b>	<b>\$53,735,725</b>	<b>\$57,058,333</b>	<b>\$61,588,730</b>	<b>\$72,449,738</b>	<b>\$51,554,638</b>	<b>\$59,755,989</b>	<b>\$58,846,078</b>	<b>\$56,459,477</b>

**A History of the Support Fund Income and Permanent Fund in Millions of Dollars**

	<b>1991-92</b>	<b>1992-93</b>	<b>1993-94</b>	<b>1994-95</b>	<b>1995-96</b>	<b>1996-97</b>	<b>1997-98</b>	<b>1998-99</b>	<b>1999-2000</b>
Support Fund	\$50.8	\$53.7	\$57.1	\$61.6	\$72.4	\$51.6	\$59.8	\$58.8	\$56.5
Permanent Fund	\$643.1	\$668.	\$694.4	\$689.6	\$707.3	\$728.2	\$762.1	\$799.7	\$822.5

<b>Permanent Fund:</b>	<b>2000-2001</b>	<b>2001-2002</b>	<b>2002-2003</b>	<b>2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2008-2009</b>	Cumulative Growth Permanent Fund <u>\$123,949,648</u> <u>\$451,377,207</u>
<i>Cash Value</i>	\$822,498,152	\$841,538,930	\$852,195,675	\$868,402,048	\$891,805,723	\$916,283,676	\$936,295,533	\$956,625,141	\$973,665,090	
Investment Income	\$10,001,192	\$5,723,829	\$11,519,457	\$14,372,777	\$15,307,935	\$12,877,985	\$15,222,398	\$13,110,162	\$12,687,191	
Royalties Income	\$9,039,586	\$4,932,916	\$4,686,916	\$9,030,898	\$8,967,600	\$7,133,872	\$6,896,526	\$8,255,026	\$9,505,235	
<b>Total</b>	<b>\$841,538,930</b>	<b>\$852,195,675</b>	<b>\$868,402,048</b>	<b>\$891,805,723</b>	<b>\$916,081,258</b>	<b>\$936,295,533</b>	<b>\$958,414,457</b>	<b>\$977,990,329</b>	<b>\$995,857,516</b>	

<b>Permanent Fund:</b>	<b>2000-2001</b>	<b>2001-2002</b>	<b>2002-2003</b>	<b>2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2008-2009</b>	Cumulative Growth Support Fund <u>\$894,853,163</u> <u>\$360,595,501</u> <u>\$1,255,448,664</u>
<i>Market Value</i>	<b>\$831,338,021</b>	<b>\$812,737,083</b>	<b>\$877,000,364</b>	<b>\$925,090,380</b>	<b>\$975,661,638</b>	<b>\$958,642,904</b>	<b>\$1,021,316,556</b>	<b>\$968,122,567</b>	<b>\$872,736,756</b>	
<b>Support Fund:</b>										
Investment Income	\$40,992,264	\$36,463,986	\$37,779,199	\$37,606,959	\$41,587,080	\$42,233,206	\$44,460,712	\$42,952,072	\$40,358,067	
Royalties Income	\$14,001,891	\$14,798,746	\$14,060,747	\$27,092,693	\$26,902,801	\$21,401,616	\$20,689,576	\$24,765,079	\$28,515,706	
<b>Total</b>	<b>\$54,994,155</b>	<b>\$51,262,732</b>	<b>\$51,839,946</b>	<b>\$64,699,652</b>	<b>\$68,489,881</b>	<b>\$63,634,822</b>	<b>\$65,150,288</b>	<b>\$67,717,151</b>	<b>\$68,873,773</b>	

**A History of the Support Fund Income and Permanent Fund in Millions of Dollars**

	<b>2000-2001</b>	<b>2001-2002</b>	<b>2002-2003</b>	<b>2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2008-2009</b>
Support Fund	\$55.0	\$51.3	\$51.8	\$64.7	\$68.5	\$63.6	\$65.2	\$67.7	\$68.9
Permanent Fund	\$841.5	\$852.2	\$868.4	\$891.8	\$916.1	\$936.3	\$958.4	\$978.	\$995.9

**Constitutional Uses of Support Fund Dollars:**

Board of Regents: 1) The carefully defined research efforts of public and private universities in Louisiana. 2) The endowment of chairs for eminent scholars. 3) The enhancement of the quality of academic, research or agricultural departments or units within a university. These funds shall not be used for athletic purposes or programs. 4) The recruitment of superior graduate students.

Board of Elementary and Secondary Education: 1) To provide compensation to city or parish school board or postsecondary vocational-technical professional instructional employees. 2) To insure an adequate supply of superior textbooks, library books, equipment and other instructional materials. 3) To fund exemplary programs in elementary, secondary or vocational-technical schools designed to improve elementary, secondary or vocational-technical student academic achievement or vocational-technical skill. 4) To fund carefully defined research efforts, including pilot programs, designed to improve elementary and secondary student achievement. 5) To fund school remediation programs and preschool programs. 6) To fund the teaching of foreign languages in elementary and secondary schools. 7) To fund an adequate supply of teachers by providing scholarships or stipends to prospective teachers in academic or vocational-technical areas where there is a critical teacher shortage.

**Notes:** The cumulative growth figures for both the Permanent and Support Fund include balances from 1987-88, 1988-89, 1989-90, and 1990-91 (history for these years is not shown above). The Cash Value for 1988-89 through 2004-05 equal the Permanent Fund balance at 6/30 of the prior fiscal year. The Cash Value for 2005-06 equals the Permanent Fund balance at 6/30/06 per ISIS. The Cash Value for 2006-2007 equals the Permanent Fund balance at 6/30 of the prior fiscal year. The Cash Value for 2007-08 and 2008-09 equals the Permanent Fund balance at 6/30/06 per ISIS.

## Tuition Opportunity Program for Students (TOPS) Historical and Projected Number of Awards and Costs for Awards

Projected as of 4/30/09

TOPS Component	1998-99 Actual (a)		1999-00 Actual		2000-01 Actual		2001-02 Actual		2002-03 Actual		2003-04 Actual		2004-05 Actual		2005-06 Actual	
	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$
Honors	1,808	5,592,169	3,131	9,786,569	4,185	13,881,118	5,201	17,492,603	5,254	17,926,302	5,369	18,808,449	5,853	21,029,271	6,042	21,709,573
Performance	5,110	13,485,109	3,177	15,338,676	6,179	17,380,531	6,437	18,020,654	6,149	18,032,847	6,611	20,304,051	7,763	23,864,601	8,285	25,464,699
Opportunity	16,568	34,942,827	20,088	42,276,483	25,279	58,325,908	29,039	67,723,045	28,398	67,552,430	28,722	70,359,639	28,397	71,535,095	27,597	69,205,798
Tech	23	14,260	53	27,576	83	56,706	181	126,122	313	255,957	342	306,805	447	394,242	578	471,984
Nat'l Guard	42	12,650	39	11,700	43	12,900	66	19,700	65	19,600	45	13,600	41	12,400	39	11,650
<b>TOTAL</b>	<b>23,551</b>	<b>54,047,014</b>	<b>26,488</b>	<b>67,441,004</b>	<b>35,769</b>	<b>89,657,163</b>	<b>40,924</b>	<b>103,382,124</b>	<b>40,179</b>	<b>103,787,136</b>	<b>41,089</b>	<b>109,792,544</b>	<b>42,501</b>	<b>116,835,609</b>	<b>42,541</b>	<b>116,863,704</b>

Average Annual TOPS Award																
		\$2,295		\$2,546		\$2,507		\$2,526		\$2,583		\$2,672		\$2,749		\$2,747

Projected as of 4/30/09

TOPS Component	2006-07 Actual		2007-08 Actual		2008-09 Projected (b)		2009-10 Projected (b)		2010-11 Projected (b)		2011-12 Projected (b)		2012-13 Projected (b)		2013-14 Projected (b)	
	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$
Honors	6,201	22,627,051	6,206	22,526,589	7,011	26,051,999	7,942	30,815,788	8,670	34,006,544	9,310	37,969,430	9,281	39,374,177	9,097	40,157,333
Performance	8,687	26,930,154	7,852	24,421,201	9,254	29,458,115	10,289	34,159,477	11,022	36,861,414	11,844	41,354,599	11,786	42,972,703	11,549	43,982,051
Opportunity	27,979	70,286,815	27,317	69,035,552	24,924	65,664,076	23,385	64,392,240	22,143	61,372,670	20,929	60,908,066	20,588	62,912,513	20,164	64,697,808
Tech	730	705,746	730	722,946	775	676,943	784	685,192	742	714,623	721	729,025	707	750,209	691	384,814
Nat'l Guard	49	14,800	40	12,100	40	12,089	39	11,761	43	12,817	43	12,778	42	12,553	39	11,794
<b>SUBTOTAL</b>	<b>43,646</b>	<b>120,564,567</b>	<b>42,145</b>	<b>116,718,389</b>	<b>42,004</b>	<b>121,863,222</b>	<b>42,440</b>	<b>130,064,458</b>	<b>42,620</b>	<b>132,968,068</b>	<b>42,846</b>	<b>140,973,898</b>	<b>42,403</b>	<b>146,022,155</b>	<b>41,540</b>	<b>149,233,801</b>
Tech Early Start	162	97,450	105	63,050	141	84,800	350	210,000	350	210,000	350	210,000	350	210,000	350	210,000
<b>TOTAL</b>	<b>43,809</b>	<b>120,662,017</b>	<b>42,250</b>	<b>116,781,439</b>	<b>42,146</b>	<b>121,948,022</b>	<b>42,790</b>	<b>130,274,458</b>	<b>42,970</b>	<b>133,178,068</b>	<b>43,196</b>	<b>141,183,898</b>	<b>42,753</b>	<b>146,232,155</b>	<b>41,890</b>	<b>149,443,801</b>

Average Annual TOPS Award*																
		\$2,762		\$2,769		\$2,901		\$3,065		\$3,120		\$3,290		\$3,444		\$3,593

Figures provided by the Office of Student Financial Assistance.

NOTE: The actual number of awards are noted for each fiscal year. The dollars are calculated using the actual number of awards times the average annual TOPS award for that particular fiscal year.

\*Excludes Tech Early Start.

(a) Includes former recipients of La. Honors Scholarship Program & Tuition Assistance Plan (TAP) whose funding continued under TOPS

(b) A 5% tuition increase is noted for years 2009-2010 through 2013-2014. Tuition increases are subject to approval by the Management Boards and the Joint Legislative Committee on the Budget (JLCB).

## Higher Education Funding by Board and Institution (FY 09 EOB compared to FY 10 Appropriated)

	FY 09 6/30/09 SGF	FY 09 6/30/09 Total	FY 10 Appropriated SGF	FY 10 Appropriated Total	Difference FY 09 to FY 10 SGF	% Diff. SGF	Difference FY 09 to FY 10 Total	% Diff. Total
LSU Board	\$10,346,604	\$10,793,104	\$8,719,841	\$9,969,841	(\$1,626,763)	-16%	(\$823,263)	-8%
LSU Baton Rouge	\$224,431,857	\$441,678,860	\$153,931,492	\$412,923,347	(\$70,500,365)	-31%	(\$28,755,513)	-7%
LSU Alexandria	\$12,090,058	\$20,672,009	\$8,040,907	\$19,175,781	(\$4,049,151)	-33%	(\$1,496,228)	-7%
UNO	\$67,730,739	\$121,565,339	\$46,520,309	\$115,787,566	(\$21,210,430)	-31%	(\$5,777,773)	-5%
LSU HSC - New Orleans	\$112,702,373	\$195,895,991	\$75,725,369	\$180,207,463	(\$36,977,004)	-33%	(\$15,688,528)	-8%
LSU HSC - Shreveport	\$73,261,160	\$424,854,669	\$50,085,812	\$439,748,861	(\$23,175,348)	-32%	\$14,894,192	4%
E A Conway Med Center	\$12,877,773	\$91,030,621	\$10,949,056	\$81,687,953	(\$1,928,717)	-15%	(\$9,342,668)	-10%
Huey P Long Med Center	\$13,909,386	\$59,459,552	\$11,826,163	\$61,478,561	(\$2,083,223)	-15%	\$2,019,009	3%
LSU - Eunice	\$8,281,633	\$13,661,430	\$6,107,347	\$12,840,746	(\$2,174,286)	-26%	(\$820,684)	-6%
LSU - Shreveport	\$17,297,805	\$31,544,429	\$11,666,411	\$29,248,453	(\$5,631,394)	-33%	(\$2,295,976)	-7%
LSU Agricultural Center	\$83,044,377	\$109,056,440	\$70,571,559	\$98,225,706	(\$12,472,818)	-15%	(\$10,830,734)	-10%
Hebert Law Center	\$9,611,561	\$20,173,030	\$6,498,605	\$19,682,435	(\$3,112,956)	-32%	(\$490,595)	-2%
Pennington Biomedical	\$16,208,781	\$17,150,614	\$13,781,176	\$14,707,328	(\$2,427,605)	-15%	(\$2,443,286)	-14%
<b>LSU System Total</b>	<b>\$661,794,107</b>	<b>\$1,557,536,088</b>	<b>\$474,424,047</b>	<b>\$1,495,684,041</b>	<b>(\$187,370,060)</b>	<b>-28%</b>	<b>(\$61,852,047)</b>	<b>-4%</b>
Southern Board	\$3,397,225	\$3,397,225	\$2,935,252	\$2,935,252	(\$461,973)	-14%	(\$461,973)	-14%
Southern A&M	\$51,028,266	\$90,442,931	\$33,567,574	\$82,112,047	(\$17,460,692)	-34%	(\$8,330,884)	-9%
SouthernLaw Center	\$7,052,241	\$11,152,391	\$4,903,126	\$9,837,066	(\$2,149,115)	-30%	(\$1,315,325)	-12%
Southern New Orleans	\$14,867,242	\$21,780,862	\$9,742,234	\$19,184,042	(\$5,125,008)	-34%	(\$2,596,820)	-12%
Southern Shreveport	\$7,985,796	\$13,097,789	\$5,896,688	\$11,988,419	(\$2,089,108)	-26%	(\$1,109,370)	-8%
SU Agricultural Center	\$3,830,095	\$8,684,951	\$3,225,001	\$8,070,599	(\$605,094)	-16%	(\$614,352)	-7%
<b>Southern System Total</b>	<b>\$88,160,865</b>	<b>\$148,556,149</b>	<b>\$60,269,875</b>	<b>\$134,127,425</b>	<b>(\$27,890,990)</b>	<b>-32%</b>	<b>(\$14,428,724)</b>	<b>-10%</b>
UL Board	\$9,055,260	\$10,241,260	\$2,427,627	\$3,613,627	(\$6,627,633)	-73%	(\$6,627,633)	-65%
Nicholls	\$33,110,461	\$58,373,221	\$23,698,077	\$54,744,963	(\$9,412,384)	-28%	(\$3,628,258)	-6%
Grambling	\$29,210,902	\$56,412,316	\$20,433,930	\$52,733,695	(\$8,776,972)	-30%	(\$3,678,621)	-7%
Louisiana Tech	\$57,765,762	\$101,515,795	\$41,777,478	\$95,869,787	(\$15,988,284)	-28%	(\$5,646,008)	-6%
McNeese	\$41,259,264	\$70,759,182	\$29,234,534	\$65,875,482	(\$12,024,730)	-29%	(\$4,883,700)	-7%
UL - Monroe	\$52,325,070	\$86,585,077	\$37,263,624	\$79,184,104	(\$15,061,446)	-29%	(\$7,400,973)	-9%
Northwestern	\$45,918,502	\$77,625,793	\$32,460,768	\$72,009,100	(\$13,457,734)	-29%	(\$5,616,693)	-7%
Southeastern	\$73,382,935	\$124,229,010	\$51,274,932	\$114,989,124	(\$22,108,003)	-30%	(\$9,239,886)	-7%
UL Lafayette	\$87,262,764	\$147,805,705	\$67,186,528	\$137,255,238	(\$20,076,236)	-23%	(\$10,550,467)	-7%
<b>UL System Total</b>	<b>\$429,290,920</b>	<b>\$733,547,359</b>	<b>\$305,757,498</b>	<b>\$676,275,120</b>	<b>(\$123,533,422)</b>	<b>-29%</b>	<b>(\$57,272,239)</b>	<b>-8%</b>
LCTCS System	\$4,536,397	\$14,631,397	\$4,206,599	\$14,206,599	(\$329,798)	-7%	(\$424,798)	-3%
Baton Rouge CC	\$20,914,069	\$31,816,383	\$14,914,384	\$28,609,305	(\$5,999,685)	-29%	(\$3,207,078)	-10%
Delgado CC	\$41,677,810	\$71,302,647	\$29,616,108	\$66,511,520	(\$12,061,702)	-29%	(\$4,791,127)	-7%
Nunez CC	\$5,216,950	\$7,924,666	\$3,722,395	\$7,828,570	(\$1,494,555)	-29%	(\$96,096)	-1%
Bossier Parish CC	\$15,355,749	\$22,838,182	\$10,911,510	\$21,602,708	(\$4,444,239)	-29%	(\$1,235,474)	-5%
South Louisiana CC	\$7,587,681	\$11,905,167	\$5,496,113	\$11,483,782	(\$2,091,568)	-28%	(\$421,385)	-4%
River Parishes CC	\$3,209,060	\$4,670,185	\$2,314,401	\$4,455,827	(\$894,659)	-28%	(\$214,358)	-5%
Louisiana Delta CC	\$4,428,505	\$6,700,923	\$3,212,605	\$6,346,133	(\$1,215,900)	-27%	(\$354,790)	-5%
LTC	\$76,198,019	\$94,548,015	\$54,467,345	\$83,569,932	(\$21,730,674)	-29%	(\$10,978,083)	-12%
SOWELA	\$7,916,689	\$12,177,348	\$5,553,732	\$10,329,228	(\$2,362,957)	-30%	(\$1,848,120)	-15%
L.E. Fletcher	\$4,848,775	\$7,082,605	\$3,463,684	\$6,009,135	(\$1,385,091)	-29%	(\$1,073,470)	-15%
<b>LCTCS System Total</b>	<b>\$191,889,704</b>	<b>\$285,597,518</b>	<b>\$137,878,876</b>	<b>\$260,952,739</b>	<b>(\$54,010,828)</b>	<b>-28%</b>	<b>(\$24,644,779)</b>	<b>-9%</b>
<b>LOSFA</b>	<b>\$128,960,087</b>	<b>\$195,342,826</b>	<b>\$147,811,203</b>	<b>\$253,396,395</b>	<b>\$18,851,116</b>	<b>15%</b>	<b>\$58,053,569</b>	<b>30%</b>
<b>Board of Regents *</b>	<b>\$50,707,138</b>	<b>\$129,974,874</b>	<b>\$137,137,090</b>	<b>\$213,703,671</b>	<b>\$86,429,952</b>	<b>170%</b>	<b>\$83,728,797</b>	<b>64%</b>
<b>LUMCON</b>	<b>\$3,202,072</b>	<b>\$9,240,576</b>	<b>\$2,702,491</b>	<b>\$8,728,563</b>	<b>(\$499,581)</b>	<b>-16%</b>	<b>(\$512,013)</b>	<b>-6%</b>
<b>Higher Ed Total</b>	<b>\$1,554,004,893</b>	<b>\$3,059,795,390</b>	<b>\$1,265,981,080</b>	<b>\$3,042,867,954</b>	<b>(\$288,023,813)</b>	<b>-19%</b>	<b>(\$16,927,436)</b>	<b>-1%</b>
<b>Higher Ed (w/o LOSFA)</b>	<b>\$1,425,044,806</b>	<b>\$2,864,452,564</b>	<b>\$1,118,169,877</b>	<b>\$2,789,471,559</b>	<b>(\$306,874,929)</b>	<b>-22%</b>	<b>(\$74,981,005)</b>	<b>-3%</b>

\* FY 10 funding for the Board of Regents includes \$86.2M in Budget Stabilization Funds and \$13.5M from the return of an economic development incentive package by the Shaw Group.

**STATE GAMING REVENUE - SOURCES AND USES**

Legislative Fiscal Office

**LOTTERY**  
(\$ in millions)

Calendar Year of Sales Fiscal Year Available	1999 2000	2000 2001	2001 2002	2002 2003	2003 2004	2004 2005	2005 2006	2006 2007	2007 2008	Projected 2008 2009
Sales Outlets at Calendar Year End	2,971	3,008	2,976	2,950	2,842	2,820	2,486	2,562	2,603	2,656
Total Game Sales & Other Earnings	\$272.1	\$290.2	\$314.2	\$309.6	\$331.2	\$320.1	\$297.4	\$361.9	\$362.4	\$370.8
Operating Expenses of Corp. (not appropriated)	\$25.3	\$27.6	\$29.2	\$29.3	\$31.0	\$29.6	\$27.0	\$30.5	\$29.6	\$31.1
Retailer Commission Expense (not appropriated)	\$15.0	\$15.9	\$17.5	\$16.8	\$18.0	\$17.5	\$16.7	\$19.9	\$20.0	\$20.6
Effective Tax Rate (share of net revenue after prize expense)	70.5%	70.3%	71.1%	70.0%	70.4%	70.9%	71.1%	71.8%	73.0%	72.5%
Share Of Gross Revenue Transferred To The State	35.4%	35.3%	35.9%	35.3%	35.3%	35.6%	35.8%	35.7%	35.9%	35.5%
Total Annual Transfers To The State	\$96.2	\$102.6	\$113.0	\$109.4	\$116.9	\$114.0	\$106.4	\$129.4	\$130.2	\$131.6
Compulsive and Problem Gaming Program	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
For Support Of Minimum Foundation Program *	\$95.7	\$95.5	\$112.5	\$108.9	\$116.4	\$113.5	\$105.9	\$128.9	\$129.7	\$131.1
Total Allocations Of Available Transfers	\$96.2	\$102.6	\$113.0	\$109.4	\$116.9	\$114.0	\$106.4	\$129.4	\$130.2	\$131.6

(\*) As originally adopted, lottery receipts were deposited to a special fund (the Lottery Proceeds Fund established by the State Constitution) that had no specific uses enumerated. For FY 91-92 and FY 92-93 lottery receipts were appropriated to support the operations of numerous state agencies, local allocations, and the state general fund. For the 1993-94 fiscal year, most lottery receipts (\$140 million) were appropriated to the Minimum Foundation Program (MFP, K-12 education funding) and a like amount of state general fund support was removed from the MFP. Lottery receipts have been appropriated to the MFP ever since. Act 1305 of the 2003 session amended the State Constitution to formally dedicate lottery receipts to the MFP beginning with FY 04-05 (including a maximum of \$500,000 to compulsive and problem gaming services).

**VIDEO DRAW POKER**  
(\$ in millions)

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	Projected 2009
Locations/Devices at Fiscal Year End	2,819/12,937	2,815/13,175	2,869/13,720	2,862/14,551	2,775/14,273	2,751/14,297	2,276/13,571	2,340/13,951	2,380/14,555	2,350/14,500
Total Device Net Revenue	\$476.6	\$503.1	\$536.6	\$560.5	\$566.0	\$583.8	\$681.6	\$684.7	\$673.2	\$664.3
Effective Tax Rate	28.4%	28.8%	29.1%	29.3%	29.3%	29.5%	29.8%	29.8%	29.9%	30.0%
Gaming Remittances	\$135.2	\$144.7	\$156.1	\$164.2	\$166.0	\$172.2	\$203.1	\$203.9	\$201.0	\$199.0
Device & Other Fees	\$9.7	\$10.1	\$8.5	\$10.8	\$11.1	\$11.6	\$11.0	\$10.5	\$10.8	\$11.0
Total Available To The State	\$144.9	\$154.9	\$164.6	\$174.9	\$177.1	\$183.8	\$214.1	\$214.3	\$211.7	\$210.0
Gaming Enforcement Activities	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$8.0	\$5.6	\$8.4	\$8.4	\$9.5
Local Gov. & Sheriffs (~ Munis 40%, Parishes 30%, Sheriffs 30%)	\$30.1	\$32.3	\$34.9	\$37.5	\$38.0	\$39.7	\$45.0	\$47.2	\$46.6	\$47.1
District Attorney Support	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4
Horse Racing Purse Supplements	\$2.4	\$2.6	\$2.7	\$2.8	\$2.8	\$2.9	\$3.4	\$3.4	\$3.3	\$3.3
Compulsive and Problem Gaming Program	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
State General Fund Share	\$102.2	\$109.9	\$116.8	\$124.5	\$126.1	\$127.4	\$154.3	\$149.5	\$147.7	\$144.3
Total Allocations Of Available Revenue	\$144.9	\$154.9	\$164.6	\$175.0	\$177.1	\$183.8	\$214.1	\$214.4	\$211.8	\$210.0

**RIVERBOAT GAMING**  
(\$ in millions)

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	Projected 2009
Boats/Tables/Devices at Fiscal Year End	13/540/13,401	14/592/14,614	14/562/15,330	14/543/15,325	14/667/17,300	15/610/16,592	12/518/13,207	13/512/15,230	13/510/15,237	13/510/15,237
Total Gross Gaming Revenue	\$1,426.3	\$1,545.9	\$1,635.3	\$1,592.9	\$1,566.7	\$1,567.2	\$1,838.1	\$1,780.6	\$1,827.7	\$1,745.1
Effective Tax Rate	18.5%	19.0%	20.5%	21.0%	21.4%	21.4%	21.5%	21.5%	21.5%	21.5%
Gaming Remittances	\$263.9	\$293.4	\$335.8	\$335.1	\$335.4	\$334.7	\$395.2	\$382.8	\$393.0	\$375.2
Other Fee Revenue	\$5.8	\$3.6	\$5.2	\$4.3	\$6.8	\$4.2	\$7.9	\$6.4	\$4.8	\$4.8
Total Available To The State	\$269.7	\$297.0	\$341.1	\$339.4	\$342.2	\$339.0	\$403.1	\$389.3	\$397.8	\$380.0
Gaming Enforcement Activities	\$15.8	\$13.6	\$16.7	\$16.4	\$19.0	\$17.2	\$18.1	\$17.5	\$18.5	\$20.6
Non-Gaming Operations in State Police	\$45.2	\$41.5	\$40.3	\$35.4	\$34.9	\$35.7	\$41.9	\$49.5	\$37.6	\$49.0
Compulsive and Problem Gaming Program	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Change In Prior Year Proceeds Available	(\$5.8)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
SELF Fund (Teacher Payraise)	\$0.0	14.0	\$59.4	\$65.5	\$70.7	\$70.3	\$85.4	\$83.1	\$85.3	\$81.1
State General Fund Share	\$213.9	\$227.4	\$224.2	\$221.5	\$217.0	\$215.3	\$257.1	\$238.7	\$255.8	\$228.8
Total Allocations Of Available Revenue	\$269.7	\$297.0	\$341.1	\$339.4	\$342.2	\$339.0	\$403.1	\$389.3	\$397.8	\$380.0

**STATE GAMING REVENUE - SOURCES AND USES**

Legislative Fiscal Office

**N. O. LAND-BASED CASINO**

(\$ in millions)

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	Projected 2009
Tables/Devices at Fiscal Year End	115/2,900	103/2,618	101/2,397	100/2,264	120/2,035	134/2,023	117/2,112	129/2,077	130/2,043	130/2,043
Total Gross Gaming Revenue	\$163.0	\$256.3	\$262.4	\$277.3	\$300.2	\$339.2	\$198.3	\$390.1	\$419.7	\$381.4
New Orleans Support Contract {from Casino receipts}	\$6.0	\$5.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Effective Tax Rate	41.8%	34.1%	21.9%	21.6%	20.0%	20.5%	30.3%	21.5%	21.5%	21.5%
Gaming Remittances and Other Transfers	\$62.2	\$82.3	\$57.6	\$59.9	\$60.0	\$69.6	\$60.0	\$83.9	\$90.2	\$82.0
Total Annual Transfers To The State	\$62.2	\$82.3	\$57.6	\$59.9	\$60.0	\$69.6	\$60.0	\$83.9	\$90.2	\$82.0
Gaming Enforcement Activities	\$1.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Compulsive and Problem Gaming Program	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Non-Recurring Revenue (Debt, UAL, Cap. Out., Budget Stab. Fd.)	\$60.5	\$70.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
SELF Fund (Teacher Payraise)	\$0.0	\$11.7	\$57.1	\$59.4	\$59.5	\$69.1	\$59.5	\$83.4	\$89.7	\$81.5
Total Allocations Of Available Transfers	\$62.2	\$82.3	\$57.6	\$59.9	\$60.0	\$69.6	\$60.0	\$83.9	\$90.2	\$82.0

**PARI-MUTUEL GAMING**

(\$ in millions)

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	Projected 2009
Tracks/OTBs/Racing Days at Fiscal Year End	4/13/342	4/13/342	4/13/388	4/14/383	4/13/433	4/13/489	4/12/401	4/14/483	4/14/474	4/14/486
Pari-Mutuel Handle	\$398.6	\$382.6	\$388.5	\$365.0	\$364.4	\$341.8	\$314.2	\$357.5	\$347.1	\$358.1
Effective Tax Rate To Racing Commission	1.55%	1.54%	1.56%	1.62%	1.68%	1.78%	1.75%	1.79%	1.82%	1.82%
Taxes On Handle To Racing Commission	\$5.1	\$5.0	\$4.9	\$4.6	\$4.6	\$4.3	\$4.1	\$4.6	\$4.7	\$4.7
Other Fees To Racing Commission	\$1.0	\$0.9	\$1.2	\$1.3	\$1.5	\$1.7	\$1.4	\$1.8	\$1.7	\$1.8
Total Revenue To Racing Commission	\$6.2	\$5.9	\$6.1	\$5.9	\$6.1	\$6.1	\$5.5	\$6.4	\$6.3	\$6.5
Gaming Enforcement Activities: Racing Commission	\$3.0	\$3.1	\$3.0	\$3.3	\$3.5	\$4.1	\$3.7	\$4.2	\$4.1	\$4.1
Breeder Awards	\$2.4	\$2.3	\$2.3	\$2.2	\$2.2	\$2.1	\$2.1	\$2.3	\$2.2	\$2.3
Excess To State General Fund or Retained by Racing Comm.	\$0.8	\$0.5	\$0.7	\$0.5	\$0.4	(\$0.1)	(\$0.3)	(\$0.01)	\$0.0	\$0.1
Total Allocations Of Racing Commission Revenue	\$6.2	\$5.9	\$6.1	\$5.9	\$6.1	\$6.1	\$5.5	\$6.4	\$6.3	\$6.5

**CHARITABLE GAMING**

(\$ in millions)

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	Projected 2009
Bingo/Other Sessions During Fiscal Year	30,278/789	29,141/512	28,341/344	27,683/322	29,022/363	27,868/72	22,840/0	27,350/0	37,471/0	37,471/0
Gross Gaming Revenue	\$49.4	\$47.0	\$47.2	\$46.8	\$46.8	\$47.2	\$52.2	\$54.7	\$61.5	\$61.5
Operator Expenses (not appropriated)	\$28.5	\$26.2	\$26.6	\$26.5	\$28.3	\$28.1	\$26.4	\$30.1	\$35.5	\$35.5
Available To Charities (not appropriated)	\$21.0	\$20.8	\$20.6	\$20.2	\$18.5	\$19.1	\$25.8	\$24.6	\$26.0	\$26.0
Effective Total Fee Rate	2.1%	2.0%	2.1%	2.2%	2.4%	2.7%	2.6%	3.1%	3.4%	4.5%
Various Fees Paid To Support Regulation	\$1.0	\$0.9	\$1.0	\$1.1	\$1.1	\$1.3	\$1.4	\$1.7	\$2.1	\$2.8
Total Various Fees Paid To Support Regulation	\$1.0	\$0.9	\$1.0	\$1.1	\$1.1	\$1.3	\$1.4	\$1.7	\$2.1	\$2.8
Enforcement Activities	\$0.9	\$0.9	\$1.0	\$1.1	\$1.1	\$1.3	\$1.4	\$1.7	\$2.1	\$2.8
State General Fund Share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Allocations Of Available Revenue	\$0.9	\$0.9	\$1.0	\$1.1	\$1.1	\$1.3	\$1.4	\$1.7	\$2.1	\$2.8

**STATE GAMING REVENUE - SOURCES AND USES**

Legislative Fiscal Office

**RACETRACK SLOT MACHINE GAMING**

(\$ in millions)

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	Projected 2009
Tracks/Devices at Fiscal Year End			1/1,492	2/2,368	3/4,447	3/4,489	3/4,487	3/4,444	4/5,008	4/5,008
Gross Gaming Revenue			\$54.4	\$134.4	\$232.7	\$315.0	\$349.5	\$365.9	\$384.4	\$375.7
Allocation to Horse Breeder Assns. (not appropriated)			\$9.8	\$24.2	\$41.9	\$56.7	\$62.9	\$65.9	\$69.2	\$67.6
Effective Tax Rate To State (share of gross revenue after horse breeder allocations)			15.17%	15.17%	15.17%	15.17%	15.17%	15.17%	15.17%	15.17%
Total Available To The State			\$8.2	\$20.4	\$35.3	\$47.8	\$53.0	\$55.5	\$58.3	\$57.0
Gaming Enforcement Activities			\$0.450	\$0.616	\$1.3	\$1.9	\$1.7	\$1.9	\$2.0	\$2.5
Non-Gaming Operations in State Police			\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.5	\$0.5
Compulsive and Problem Gaming Program			\$0.0	\$0.0	\$0.0	\$0.0	\$0.5	\$0.5	\$0.5	\$0.5
Parish Funds			\$0.376	\$1.0	\$1.8	\$2.4	\$2.7	\$2.8	\$2.9	\$2.9
LA Agricultural Finance Authority (Boll Weevil Eradication and other programs)			\$7.4	\$12.0	\$12.0	\$12.0	\$12.0	\$12.0	\$12.0	\$12.0
Blind Services			\$0.0	\$1.0	\$1.5	\$1.5	\$1.5	\$1.5	\$2.0	\$2.0
Southern Univ., Equine Health, N.O. Dist. Att., N.O. City Park			\$0.0	\$0.0	\$2.2	\$1.8	\$1.8	\$1.8	\$1.8	\$1.8
State General Fund Share			\$0.0	\$5.8	\$16.5	\$28.2	\$32.9	\$34.9	\$36.6	\$34.9
Total Allocations of Available Revenue			\$8.2	\$20.4	\$35.3	\$47.8	\$53.0	\$55.5	\$58.3	\$57.0

**INDIAN GAMING**

(\$ in millions)

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	Projected 2009
Casinos/Tables/Devices Estimated at Fiscal Year End	3/200/6,500	3/200/6,500	3/200/6,500	3/200/6,500	3/189/6,448	3/184/6,056	3/195/6,301	3/204/6,131	3/195/6,360	3/195/6,360
Indian Gross Gaming Revenue (*)	\$433.8	\$456.6	\$438.8	\$434.2	\$440.4	\$386.4	\$478.2	\$462.3	\$477.0	\$477.0
Effective Fee Rate	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.3%	0.3%	0.4%	0.4%
Tribes Reimburse State Police For Enforcement Activity	\$1.2	\$1.4	\$1.2	\$1.4	\$1.5	\$1.4	\$1.2	\$1.5	\$1.7	\$1.8
Enforcement [Tribes Reimburse and General Enforcement]	\$1.2	\$1.4	\$1.2	\$1.4	\$1.5	\$1.4	\$1.2	\$1.5	\$1.7	\$1.8
State General Fund Share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Allocations Of Available Revenue	\$1.2	\$1.4	\$1.2	\$1.4	\$1.5	\$1.4	\$1.2	\$1.5	\$1.7	\$1.8

(\*) Various methodologies have been employed over time to estimate Indian gaming activity in the state. Since the Indian casinos do not report their activity, the estimates above should be viewed with considerable caution.

**TOTAL STATE GAMING RECEIPTS SUMMARY**

(\$ in millions)

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	Projected 2009
Lottery	\$96.2	\$102.6	\$113.0	\$109.4	\$116.9	\$114.0	\$106.4	\$129.4	\$130.2	\$131.6
Video Draw Poker	\$144.9	\$154.9	\$164.6	\$174.9	\$177.1	\$183.8	\$214.1	\$214.3	\$211.7	\$210.0
Riverboat Gaming	\$269.7	\$297.0	\$341.1	\$339.4	\$342.2	\$339.0	\$403.1	\$389.3	\$397.8	\$380.0
N. O. Land-Based Casino	\$62.2	\$82.3	\$57.6	\$59.9	\$60.0	\$69.6	\$60.0	\$83.9	\$90.2	\$82.0
Pari-Mutuel Racing	\$6.2	\$5.9	\$6.1	\$5.9	\$6.1	\$6.1	\$5.5	\$6.4	\$6.3	\$6.5
Charitable Gaming	\$1.0	\$0.9	\$1.0	\$1.1	\$1.1	\$1.3	\$1.4	\$1.7	\$2.1	\$2.8
Slot Machines At Racetracks	\$0.0	\$0.0	\$8.2	\$20.4	\$35.3	\$47.8	\$53.0	\$55.5	\$58.3	\$57.0
Indian Gaming	\$1.2	\$1.4	\$1.2	\$1.4	\$1.5	\$1.4	\$1.2	\$1.5	\$1.7	\$1.8
Total Available To The State	\$581.4	\$645.0	\$692.7	\$712.4	\$740.2	\$762.8	\$844.7	\$881.9	\$898.3	\$871.7
annual growth	-0.5%	10.9%	7.4%	2.9%	3.9%	3.1%	10.7%	4.4%	1.9%	-3.0%
Total Used By State Gov. For Enforcement and Treatment	\$28.5	\$25.4	\$28.7	\$29.2	\$32.8	\$35.7	\$34.2	\$37.7	\$39.2	\$43.9
Share of Total Allocated to Enforcement and Treatment	4.9%	3.9%	4.1%	4.1%	4.4%	4.7%	4.1%	4.3%	4.4%	5.0%
Total Used By State Gov. For All Other Purposes	\$552.8	\$619.6	\$664.0	\$683.2	\$707.4	\$727.1	\$810.5	\$844.2	\$859.2	\$827.8
Share of Total Allocated to All Other Purposes	95.1%	96.1%	95.9%	95.9%	95.6%	95.3%	96.0%	95.7%	95.6%	95.0%
Rev. Est. Conf. Total {Lott, Casino, Rvbt, Video Poker, Slots}	\$572.9	\$636.7	\$684.4	\$704.0	\$731.5	\$754.1	\$836.6	\$872.3	\$888.2	\$860.6

**STATE GAMING REVENUE - SOURCES AND USES**  
Legislative Fiscal Office

**SHARE OF TOTAL GAMING REVENUE TO STATE EACH ACTIVITY COMPRISES**

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	Projected 2009
Lottery	16.6%	15.9%	16.3%	15.4%	15.8%	14.9%	12.6%	14.7%	14.5%	15.1%
Video Draw Poker	24.9%	24.0%	23.8%	24.6%	23.9%	24.1%	25.3%	24.3%	23.6%	24.1%
Riverboat Gaming	46.4%	46.0%	49.2%	47.6%	46.2%	44.4%	47.7%	44.1%	44.3%	43.6%
N. O. Land-Based Casino	10.7%	12.8%	8.3%	8.4%	8.1%	9.1%	7.1%	9.5%	10.0%	9.4%
Pari-Mutuel Racing	1.1%	0.9%	0.9%	0.8%	0.8%	0.8%	0.6%	0.7%	0.7%	0.7%
Charitable Gaming	0.2%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%
Slot Machines At Racetracks	0.0%	0.0%	1.2%	2.9%	4.8%	6.3%	6.3%	6.3%	6.5%	6.5%
Indian Gaming	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.2%	0.2%	0.2%
Total Available To The State	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**TOTAL GAMING REVENUE AVAILABLE COMPARED TO:**

<b>REVENUE ESTIMATING CONFERENCE TOTAL REVENUE</b>	\$7,242.0	\$8,063.7	\$7,968.3	\$7,903.7	\$8,314.8	\$9,219.5	\$10,027.9	\$11,688.0	\$12,055.0	\$11,145.1
Revenue Estimating Conference Total State Tax Revenue (REC revenue is taxes, licenses, and fees available for state general fund-direct appropriation plus numerous statutory dedications.)	<b>7.9%</b>	<b>7.9%</b>	<b>8.6%</b>	<b>8.9%</b>	<b>8.8%</b>	<b>8.2%</b>	<b>8.3%</b>	<b>7.5%</b>	<b>7.4%</b>	<b>7.7%</b>
<b>TOTAL STATE EFFORT BUDGET</b>	\$8,811.3	\$9,414.5	\$10,637.3	\$10,650.1	\$10,745.5	\$11,320.6	\$12,802.3	\$14,917.9	\$15,714.0	\$14,667.1
State Funds Budget (w/o double counts and federal funds) (Total state effort budget includes the state general fund-direct, statutorily dedicated, and self-generated revenue budgets of state government. Estimated double-counted funding has been removed.)	<b>6.6%</b>	<b>6.9%</b>	<b>6.5%</b>	<b>6.7%</b>	<b>6.9%</b>	<b>6.7%</b>	<b>6.6%</b>	<b>5.9%</b>	<b>5.7%</b>	<b>5.9%</b>
<b>TOTAL STATE BUDGET</b>	\$13,106.1	\$14,128.4	\$16,575.4	\$16,998.5	\$17,389.5	\$17,662.8	\$20,968.9	\$26,069.1	\$28,597.4	\$29,611.1
Total State Budget (w/o double counts but w/ federal funds) (Total state budget includes state and federal funds, but excludes double-counted amounts.)	<b>4.4%</b>	<b>4.6%</b>	<b>4.2%</b>	<b>4.2%</b>	<b>4.3%</b>	<b>4.3%</b>	<b>4.0%</b>	<b>3.4%</b>	<b>3.1%</b>	<b>2.9%</b>

**ESTIMATED TOTAL ECONOMIC SPENDING ON LEGAL GAMING ACTIVITIES IN THE STATE**  
(spending by players = player losses = gaming operator revenue)

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	Projected 2009
Lottery Receipts Net Of Prize Expense	\$134.3	\$141.6	\$155.8	\$153.5	\$165.1	\$159.8	\$148.1	\$177.8	\$175.2	\$179.7
Video Poker Net Device Revenue	\$476.6	\$503.1	\$536.6	\$560.5	\$566.0	\$583.8	\$681.6	\$684.7	\$673.2	\$664.3
Riverboat Gross Gaming Revenue	\$1,426.3	\$1,545.9	\$1,635.3	\$1,592.9	\$1,566.7	\$1,567.2	\$1,838.1	\$1,780.6	\$1,827.7	\$1,745.1
N. O. Land-Based Gross Gaming Revenue	\$163.0	\$256.3	\$262.4	\$277.3	\$300.2	\$339.2	\$198.3	\$390.1	\$419.7	\$381.4
Pari-Mutuel Net Of Payouts (Assumed Takeout of 20%)	\$79.7	\$76.5	\$77.7	\$73.0	\$72.9	\$68.4	\$62.8	\$71.5	\$69.4	\$71.6
Charitable Proceeds Net Of Prize Expense	\$49.4	\$47.0	\$47.2	\$46.8	\$46.8	\$47.2	\$52.2	\$54.7	\$61.5	\$61.5
Racetrack Slot Gross Gaming Revenue	\$0.0	\$0.0	\$134.4	\$134.4	\$232.7	\$315.0	\$349.5	\$365.9	\$384.4	\$375.7
Indian Gross Gaming Revenue	\$433.8	\$456.6	\$438.8	\$434.2	\$440.4	\$386.4	\$478.2	\$462.3	\$477.0	\$477.0
Estimated Total Spending On Legal Gaming	\$2,763.1	\$3,027.1	\$3,208.1	\$3,272.5	\$3,390.7	\$3,466.9	\$3,809.0	\$3,987.6	\$4,088.2	\$3,956.3
annual growth	2.8%	9.6%	6.0%	2.0%	3.6%	2.2%	9.9%	4.7%	2.5%	-3.2%

The table above portrays spending by players engaged in each form of gaming on a comparable basis. Each estimate represents the amount of spending by players that is actually kept (or won) by gaming operators in an annual period, and is the operators gross gaming revenue from which business expenses are paid. Thus, each estimate is also the amount of losses that players incur in the aggregate each year, and is net of any rewagers. As such, the table is an estimate of the net economic flow of spending from players to gaming operators each year.

**SHARE OF TOTAL ECONOMIC GAMING SPENDING EACH ACTIVITY COMPRISES**

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	Projected 2009
Lottery Receipts Net Of Prize Expense	4.9%	4.7%	4.9%	4.7%	4.9%	4.6%	3.9%	4.5%	4.3%	4.5%
Video Poker Net Device Revenue	17.2%	16.6%	16.7%	17.1%	16.7%	16.8%	17.9%	17.2%	16.5%	16.8%
Riverboat Gross Gaming Revenue	51.6%	51.1%	51.0%	48.7%	46.2%	45.2%	48.3%	44.7%	44.7%	44.1%
N. O. Land-Based Gross Gaming Revenue	5.9%	8.5%	8.2%	8.5%	8.9%	9.8%	5.2%	9.8%	10.3%	9.6%
Pari-Mutuel Net Of Payouts (Assumed Takeout of 20%)	2.9%	2.5%	2.4%	2.2%	2.1%	2.0%	1.6%	1.8%	1.7%	1.8%
Charitable Proceeds Net Of Prize Expense	1.8%	1.6%	1.5%	1.4%	1.4%	1.4%	1.4%	1.4%	1.5%	1.6%
Racetrack Slot Gross Gaming Revenue	0.0%	0.0%	1.7%	4.1%	6.9%	9.1%	9.2%	9.2%	9.4%	9.5%
Indian Gross Gaming Revenue	15.7%	15.1%	13.7%	13.3%	13.0%	11.1%	12.6%	11.6%	11.7%	12.1%
Total Spending On Legal Gaming	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**SELECTED MAJOR STATE AID TO LOCAL GOVERNMENTS**

		2009-10 Projected MFP Distribution	2009-10 Revenue Sharing	2009-10 Projected Supplemental Pay	2009-10 Parish Transportation Fund	2009-10 Projected Parish Severance and Royalty Dist.	2009-10 Projected Video Poker Distribution	2009-10 Total of These Distributions
1	Acadia	\$48,548,275	\$1,248,761	\$1,127,677	\$583,426	\$749,509	\$1,764,884	\$54,022,532
2	Allen	\$27,149,216	\$533,207	\$331,757	\$354,180	\$1,029,320	\$0	\$29,397,680
3	Ascension	\$88,115,455	\$2,108,779	\$1,423,404	\$775,836	\$78,964	\$0	\$92,502,438
4	Assumption	\$24,890,197	\$479,799	\$296,777	\$268,673	\$510,906	\$338,871	\$26,785,222
5	Avoyelles	\$32,622,734	\$904,150	\$626,420	\$519,822	\$137,845	\$426,208	\$35,237,179
6	Beauregard	\$35,009,315	\$716,226	\$562,079	\$465,637	\$1,357,448	\$0	\$38,110,705
7	Bienville	\$7,011,402	\$312,052	\$244,812	\$292,498	\$1,213,489	\$0	\$9,074,253
8	Bossier	\$96,158,143	\$2,248,788	\$3,581,002	\$902,089	\$1,188,070	\$788,785	\$104,866,877
9	Caddo	\$219,639,009	\$5,039,571	\$9,447,915	\$1,525,578	\$1,139,010	\$2,418,617	\$239,209,700
10	Calcasieu	\$146,814,442	\$3,805,386	\$5,570,573	\$1,511,356	\$995,662	\$3,353,186	\$162,050,605
11	Caldwell	\$10,820,993	\$230,062	\$157,099	\$192,689	\$308,470	\$0	\$11,709,313
12	Cameron	\$5,010,484	\$175,166	\$324,565	\$158,077	\$5,865,240	\$31,502	\$11,565,034
13	Catahoula	\$10,173,292	\$235,201	\$270,959	\$186,507	\$270,853	\$0	\$11,136,812
14	Claiborne	\$15,092,437	\$334,989	\$172,998	\$277,889	\$1,026,027	\$0	\$16,904,340
15	Concordia	\$22,201,440	\$417,746	\$645,971	\$243,981	\$572,190	\$0	\$24,081,328
16	DeSoto	\$22,814,686	\$570,164	\$586,713	\$62,502	\$1,239,219	\$703,294	\$26,276,579
17	East Baton Rouge	\$231,350,251	\$8,643,317	\$12,425,601	\$2,325,342	\$585,635	\$0	\$255,330,147
18	East Carroll	\$8,878,681	\$159,878	\$134,406	\$155,205	\$36,220	\$98,690	\$9,463,079
19	East Feliciana	\$13,050,518	\$430,015	\$168,437	\$259,121	\$173,512	\$0	\$14,081,603
20	Evangeline	\$34,629,438	\$740,338	\$365,028	\$471,836	\$934,809	\$0	\$37,141,449
21	Franklin	\$18,435,961	\$434,397	\$434,579	\$299,372	\$65,105	\$0	\$19,709,415
22	Grant	\$21,198,704	\$428,000	\$230,945	\$290,921	\$562,622	\$0	\$22,711,192
23	Iberia	\$73,906,533	\$1,551,652	\$1,212,441	\$656,113	\$6,635,220	\$0	\$83,961,959
24	Iberville	\$16,034,415	\$667,820	\$823,933	\$575,735	\$571,124	\$1,178,853	\$19,651,881
25	Jackson	\$10,134,157	\$319,378	\$210,169	\$268,661	\$1,183,790	\$0	\$12,116,155
26	Jefferson	\$154,872,856	\$8,760,355	\$10,489,317	\$2,274,809	\$1,756,080	\$5,830,814	\$183,984,231
27	Jefferson Davis	\$35,441,440	\$644,062	\$433,479	\$421,627	\$809,350	\$489,740	\$38,239,698
28	Lafayette	\$114,950,613	\$4,219,132	\$5,134,424	\$1,515,116	\$482,499	\$0	\$126,301,784
29	Lafourche	\$69,727,639	\$1,961,384	\$1,851,288	\$819,002	\$3,283,142	\$2,796,786	\$80,439,241
30	LaSalle	\$15,082,079	\$313,756	\$286,134	\$244,238	\$1,039,627	\$0	\$16,965,835
31	Lincoln	\$31,584,650	\$853,153	\$804,951	\$532,265	\$888,141	\$0	\$34,663,159
32	Livingston	\$141,285,077	\$2,426,771	\$1,063,530	\$890,154	\$398,745	\$0	\$146,064,276
33	Madison	\$14,304,333	\$238,114	\$439,543	\$205,303	\$42,723	\$921,611	\$16,151,628
34	Morehouse	\$30,735,217	\$594,037	\$1,177,342	\$405,381	\$93,817	\$0	\$33,005,794
35	Natchitoches	\$35,018,776	\$800,565	\$963,612	\$543,839	\$421,943	\$0	\$37,748,734
36	Orleans	\$124,258,695	\$5,959,530	\$17,646,004	\$2,298,321	\$15,146	\$3,336,512	\$153,514,208
37	Ouachita	\$155,731,275	\$3,005,437	\$5,690,658	\$1,196,305	\$360,060	\$0	\$165,983,735
38	Plaquemines	\$12,224,297	\$449,765	\$594,266	\$334,833	\$13,406,779	\$442,486	\$27,452,426
39	Pointe Coupee	\$12,630,516	\$487,948	\$485,878	\$265,544	\$793,098	\$580,449	\$15,243,433
40	Rapides	\$120,737,469	\$2,718,473	\$4,885,244	\$1,085,293	\$468,556	\$0	\$129,895,036
41	Red River	\$9,852,219	\$195,010	\$169,868	\$164,294	\$744,738	\$377,674	\$11,503,803
42	Richland	\$20,089,606	\$432,035	\$503,029	\$295,518	\$31,892	\$0	\$21,352,079
43	Sabine	\$25,116,770	\$503,887	\$321,007	\$356,214	\$556,815	\$0	\$26,854,693
44	St. Bernard	\$19,864,968	\$171,959	\$1,798,495	\$585,457	\$1,843,726	\$991,414	\$25,796,019
45	St. Charles	\$30,994,623	\$1,051,091	\$1,408,982	\$502,317	\$895,709	\$834,141	\$35,686,863
46	St. Helena	\$7,349,406	\$220,788	\$155,129	\$174,316	\$586,870	\$2,231,404	\$10,717,913
47	St. James	\$17,476,328	\$450,361	\$436,459	\$236,618	\$199,286	\$1,380,093	\$20,179,145
48	St. John	\$30,817,614	\$970,653	\$929,717	\$505,586	\$51,989	\$1,291,741	\$34,567,300
49	St. Landry	\$78,096,377	\$1,853,981	\$1,660,957	\$851,838	\$509,450	\$1,537,815	\$84,510,418
50	St. Martin	\$45,401,777	\$1,093,583	\$856,357	\$527,991	\$666,947	\$3,539,828	\$52,086,482
51	St. Mary	\$48,736,714	\$1,059,705	\$1,592,030	\$457,318	\$2,919,808	\$1,204,992	\$55,970,567
52	St. Tammany	\$184,049,781	\$4,914,559	\$4,888,398	\$1,587,147	\$256,348	\$0	\$195,696,233
53	Tangipahoa	\$101,848,646	\$2,338,411	\$1,861,486	\$913,199	\$155,421	\$0	\$107,117,163
54	Tensas	\$4,656,038	\$120,711	\$103,275	\$109,487	\$279,629	\$82,600	\$5,351,740
55	Terrebonne	\$86,991,424	\$2,216,018	\$2,257,644	\$878,215	\$4,527,895	\$3,775,365	\$100,646,561
56	Union	\$17,181,961	\$469,464	\$308,023	\$373,473	\$433,764	\$0	\$18,766,685
57	Vermilion	\$38,547,580	\$1,176,945	\$967,752	\$550,334	\$3,016,438	\$0	\$44,259,049
58	Vernon	\$55,535,084	\$939,918	\$582,273	\$537,308	\$842,602	\$0	\$58,437,185
59	Washington	\$48,564,446	\$949,346	\$859,011	\$596,993	\$128,207	\$0	\$51,098,003
60	Webster	\$39,224,783	\$872,447	\$771,069	\$523,580	\$924,759	\$1,241,703	\$43,558,341
61	West Baton Rouge	\$13,417,898	\$456,349	\$756,800	\$245,258	\$371,991	\$2,738,513	\$17,986,809
62	West Carroll	\$12,883,677	\$244,296	\$116,988	\$215,323	\$4,138	\$0	\$13,464,421
63	West Feliciana	\$11,313,294	\$287,906	\$326,963	\$231,326	\$82,798	\$351,432	\$12,593,719
64	Winn	\$15,507,303	\$323,636	\$267,711	\$270,814	\$778,814	\$0	\$17,148,278
	<b>TOTAL</b>	<b>\$3,271,793,427</b>	<b>\$90,000,000</b>	<b>\$117,261,352</b>	<b>\$38,445,000</b>	<b>\$73,500,000</b>	<b>\$47,080,003</b>	<b>\$3,638,100,165</b>

- Notes:**
- 1) The 2009-2010 MFP Initial Distribution (prior to audit adjustments) is generated based on estimated student counts and local school system tax revenues. The funds distributed to school systems will be based on the 2/1/09 student counts and the previous year's local tax revenues. Funds for the school systems of the City of Monroe and the City of Bogalusa are contained in the amounts for the parishes of Ouachita and Washington respectively. Funds for the school systems of the City of Baker, Central Community and the Zachary Community are contained in the amount for East Baton Rouge Parish. Funds for the Recovery School District are contained in the amount for Orleans Parish, East Baton Rouge Parish, Caddo Parish and Pointe Coupee Parish.
  - 2) Revenue Sharing distribution to each parish and the city of New Orleans is allocated in Section 12 of Act 525 (HB 870) of the 2009 Regular Session.
  - 3) Supplemental Pay is an estimation of how much money each parish will receive in supplemental law enforcement pay. The actual amount of funding each parish receives may be different than what is reflected in this table because this is an approximation based on the previous year. The total per month payment is \$500 per month..
  - 4) The projected Parish Transportation Fund distribution of \$38.4 m in Transportation Trust Funds for FY 10 is based on population and mileage as per state law. The Mass Transit Program is funded at \$4,955,000. Off-System Roads and Bridges Match Program is funded at \$3M.
  - 5) Parish severance, royalty, and video poker distributions are based on state level estimates of the aggregate amount of severance, royalty, and video poker receipts available for distribution to locals that are allocated to each parish based on the prior year's share of these monies distributed to each parish by the state Treasury.

Capital Outlay Appropriation By Parish

Act 20 of 2009

	SGF	IAT	SGR	St. Ded.	Reappro. Cash	Federal	Revenue Bonds	CASH PORTION	Priorit y 1	Priorit y 2	Priority 3	Priority 4	Priority 5	TOTAL GO BONDS	Bonds NRP/RBP	TOTAL
Acadia	\$12,950,000	\$0	\$0	\$0	\$0	\$0	\$0	\$12,950,000	\$9,010,000	\$800,000	\$0	\$0	\$0	\$9,810,000	\$0	\$22,760,000
Allen	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,115,000	\$0	\$0	\$0	\$0	\$4,115,000	\$0	\$4,115,000
Ascension	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$750,000	\$280,000	\$0	\$0	\$0	\$1,030,000	\$0	\$1,080,000
Assumption	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,345,000	\$0	\$0	\$0	\$0	\$1,345,000	\$0	\$1,345,000
Avoyelles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,260,000	\$130,000	\$0	\$0	\$0	\$7,390,000	\$0	\$7,390,000
Beauregard	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$695,000	\$0	\$0	\$0	\$500,000	\$1,195,000	\$0	\$1,195,000
Bienville	\$23,000	\$0	\$0	\$0	\$0	\$0	\$0	\$23,000	\$1,200,000	\$300,000	\$0	\$0	\$2,620,000	\$4,120,000	\$0	\$4,143,000
Bossier	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,700,000	\$250,000	\$0	\$0	\$2,990,000	\$13,940,000	\$0	\$13,940,000
Caddo	\$11,105,000	\$0	\$0	\$0	\$0	\$0	\$51,300,000	\$62,405,000	\$47,380,000	\$1,950,000	\$0	\$0	\$0	\$50,630,000	\$0	\$113,035,000
Calcasieu	\$34,290,000	\$0	\$20,791,446	\$0	\$0	\$0	\$6,000,000	\$61,081,446	\$48,880,000	\$2,825,000	\$0	\$0	\$7,065,000	\$58,770,000	\$0	\$119,851,446
Caldwell	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$120,000	\$2,540,000	\$165,000	\$0	\$0	\$1,000,000	\$3,705,000	\$0	\$3,825,000
Cameron	\$0	\$0	\$0	\$2,880,000	\$0	\$0	\$0	\$2,880,000	\$5,050,000	\$50,000	\$0	\$0	\$0	\$5,100,000	\$0	\$7,980,000
Catahoula	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,875,000	\$85,000	\$0	\$0	\$0	\$1,960,000	\$0	\$1,960,000
Claiborne	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000	\$8,110,000	\$0	\$0	\$0	\$8,000,000	\$16,110,000	\$0	\$19,110,000
Concordia	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,560,000	\$0	\$0	\$0	\$2,500,000	\$8,060,000	\$0	\$8,060,000
DeSoto	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$1,010,000	\$150,000	\$0	\$0	\$0	\$1,160,000	\$0	\$1,205,000
E. Carroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,445,000	\$0	\$0	\$0	\$400,000	\$4,845,000	\$0	\$4,845,000
E. Feliciana	\$495,000	\$0	\$0	\$0	\$0	\$0	\$0	\$495,000	\$19,330,000	\$1,250,000	\$0	\$0	\$630,000	\$21,210,000	\$0	\$21,705,000
EBR	\$29,180,000	\$0	\$25,940,000	\$1,680,000	\$0	\$570,000	\$235,543,000	\$292,913,000	\$151,450,000	\$8,700,000	\$0	\$0	\$88,500,000	\$248,650,000	\$198,361	\$541,761,361
Evangeline	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,085,000	\$0	\$0	\$0	\$0	\$3,085,000	\$0	\$3,085,000
Franklin	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,360,000	\$50,000	\$0	\$0	\$1,000,000	\$2,410,000	\$0	\$2,410,000
Grant	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,425,000	\$0	\$0	\$0	\$0	\$1,425,000	\$0	\$1,425,000
Iberia	\$2,510,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,510,000	\$10,420,000	\$1,150,000	\$0	\$0	\$0	\$11,570,000	\$0	\$14,080,000
Iberville	\$930,000	\$0	\$0	\$150,000	\$0	\$0	\$0	\$1,080,000	\$3,430,000	\$330,000	\$0	\$0	\$0	\$3,760,000	\$0	\$4,840,000
Jackson	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$700,000	\$310,000	\$0	\$0	\$0	\$1,010,000	\$0	\$1,010,000
Jefferson	\$5,720,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,720,000	\$92,895,000	\$1,450,000	\$0	\$0	\$48,780,000	\$143,125,000	\$0	\$148,845,000
Jefferson Davis	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$200,000	\$0	\$0	\$0	\$245,000	\$0	\$245,000
Lafayette	\$18,800,000	\$0	\$0	\$500,000	\$0	\$0	\$40,510,400	\$59,810,400	\$39,725,000	\$9,150,000	\$0	\$0	\$4,855,000	\$53,730,000	\$0	\$113,540,400
Lafourche	\$3,305,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,305,000	\$18,130,000	\$1,000,000	\$0	\$0	\$0	\$19,130,000	\$0	\$22,435,000
LaSalle	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0	\$80,000	\$100,000	\$0	\$0	\$0	\$0	\$180,000	\$0	\$180,000
Lincoln	\$6,000,000	\$0	\$2,000,000	\$0	\$0	\$0	\$0	\$8,000,000	\$28,685,000	\$100,000	\$0	\$0	\$7,175,000	\$35,960,000	\$0	\$43,960,000
Livingston	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,600,000	\$435,000	\$0	\$0	\$0	\$9,035,000	\$10,000	\$9,045,000
Madison	\$175,000	\$0	\$0	\$0	\$0	\$0	\$0	\$175,000	\$2,025,000	\$70,000	\$0	\$0	\$560,000	\$2,655,000	\$0	\$2,830,000
Morehouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,145,000	\$0	\$0	\$0	\$0	\$4,145,000	\$0	\$4,145,000
Multi	\$31,340,000	\$0	\$1,600,000	\$15,000,000	\$0	\$0	\$0	\$47,940,000	\$178,410,000	\$400,000	\$0	\$0	\$64,475,000	\$243,285,000	\$23,388,188	\$314,613,188
Natchitoches	\$9,450,000	\$0	\$0	\$0	\$0	\$0	\$0	\$9,450,000	\$37,025,000	\$1,875,000	\$0	\$0	\$8,600,000	\$47,500,000	\$0	\$56,950,000
Orleans	\$97,010,000	\$0	\$650,000	\$0	\$0	\$0	\$925,000,000	\$1,022,660,000	\$261,930,000	\$3,720,000	\$1,500,000	\$0	\$219,470,000	\$486,620,000	\$85,000	\$1,509,365,000
Ouachita	\$2,895,000	\$0	\$80,000	\$0	\$0	\$0	\$0	\$2,975,000	\$21,035,000	\$475,000	\$1,000,000	\$0	\$3,750,000	\$26,260,000	\$0	\$29,235,000
Plaquemines	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$4,255,000	\$75,000	\$0	\$0	\$0	\$4,330,000	\$0	\$4,375,000
Pointe Coupee	\$220,000	\$0	\$0	\$0	\$0	\$0	\$0	\$220,000	\$4,350,000	\$50,000	\$0	\$0	\$0	\$4,400,000	\$0	\$4,620,000
Rapides	\$2,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,800,000	\$32,265,000	\$505,000	\$0	\$0	\$40,120,000	\$72,890,000	\$300,000	\$75,990,000
Red River	\$110,000	\$0	\$0	\$0	\$0	\$0	\$0	\$110,000	\$8,090,000	\$90,000	\$0	\$0	\$0	\$8,180,000	\$0	\$8,290,000
Richland	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$600,000	\$2,930,000	\$275,000	\$0	\$0	\$0	\$3,205,000	\$0	\$3,805,000
Sabine	\$0	\$0	\$1,200,000	\$0	\$0	\$0	\$0	\$1,200,000	\$7,670,000	\$175,000	\$0	\$0	\$0	\$7,845,000	\$0	\$9,045,000
St. Bernard	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,400,000	\$25,000	\$0	\$0	\$16,700,000	\$19,125,000	\$0	\$19,125,000
St. Charles	\$18,300,000	\$0	\$0	\$0	\$105,600	\$0	\$0	\$18,405,600	\$3,895,000	\$540,000	\$0	\$0	\$0	\$4,435,000	\$0	\$22,840,600
St. Helena	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$1,000,000	\$0	\$0	\$0	\$400,000	\$1,400,000	\$0	\$1,450,000
St. James	\$550,000	\$0	\$0	\$0	\$0	\$0	\$0	\$550,000	\$4,600,000	\$0	\$0	\$0	\$0	\$4,600,000	\$0	\$5,150,000
St. John the Baptist	\$5,850,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,850,000	\$19,775,000	\$1,000,000	\$0	\$0	\$6,300,000	\$27,075,000	\$2,870,000	\$35,795,000
St. Landry	\$0	\$0	\$0	\$1,275,000	\$0	\$0	\$0	\$1,275,000	\$640,000	\$350,000	\$0	\$0	\$0	\$990,000	\$0	\$2,265,000
St. Martin	\$450,000	\$0	\$0	\$0	\$0	\$0	\$0	\$450,000	\$8,545,000	\$0	\$0	\$0	\$4,550,000	\$13,095,000	\$0	\$13,545,000
St. Mary	\$2,950,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,950,000	\$11,905,000	\$0	\$0	\$0	\$3,750,000	\$15,655,000	\$0	\$18,605,000
St. Tammany	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0	\$70,000	\$22,345,000	\$355,000	\$0	\$0	\$0	\$22,700,000	\$0	\$22,770,000
Statewide	\$464,785,000	\$24,112,530	\$15,000,000	\$1,065,687,339	\$2,683,606	\$12,350,000	\$0	\$1,584,618,475	\$258,445,000	\$16,660,000	\$0	\$0	\$45,085,000	\$320,190,000	\$6,769,506	\$1,911,577,981
Tangipahoa	\$10,060,000	\$0	\$0	\$0	\$0	\$0	\$0	\$10,060,000	\$11,525,000	\$120,000	\$0	\$0	\$870,000	\$12,515,000	\$0	\$22,575,000
Tensas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$475,000	\$0	\$0	\$0	\$0	\$475,000	\$0	\$475,000
Terrebonne	\$5,100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,100,000	\$18,320,000	\$1,455,000	\$0	\$0	\$0	\$19,775,000	\$0	\$24,875,000
Union	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,260,000	\$0	\$0	\$0	\$0	\$4,260,000	\$0	\$4,260,000
Vermilion	\$1,575,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,575,000	\$15,935,000	\$350,000	\$0	\$0	\$1,000,000	\$17,285,000	\$0	\$18,860,000
Vernon	\$0	\$0	\$0	\$0	\$600,000	\$0	\$0	\$600,000	\$6,645,000	\$150,000	\$0	\$0	\$425,000	\$7,220,000	\$0	\$7,820,000
W. Carroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,090,000	\$75,000	\$0	\$0	\$0	\$1,165,000	\$0	\$1,165,000
W. Feliciana	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$1,195,000	\$0	\$0	\$0	\$2,995,000	\$4,190,000	\$0	\$4,290,000
Washington	\$90,000	\$0	\$0	\$0	\$0	\$0	\$0	\$90,000	\$25,755,000	\$325,000	\$0	\$0	\$0	\$26,080,000	\$0	\$26,170,000
WBR	\$9,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$9,000,000	\$2,070,000	\$75,000	\$0	\$0	\$400,000	\$2,545,000	\$0	\$11,545,000
Webster	\$2,140,000	\$0	\$0	\$4,000,000	\$0	\$22,015,400	\$0	\$28,155,400	\$7,720,000	\$400,000	\$0	\$0	\$3,450,000	\$11,570,000	\$0	\$39,725,400
Winn	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,970,000	\$1,370,000	\$0	\$0	\$0	\$5,340,000	\$0	\$5,340,000
<b>Total</b>	<b>\$794,318,000</b>	<b>\$24,112,530</b>	<b>\$67,261,446</b>	<b>\$1,091,172,339</b>	<b>\$3,389,206</b>	<b>\$34,935,400</b>	<b>\$1,258,353,400</b>	<b>\$3,273,542,321</b>	<b>\$1,535,945,000</b>	<b>\$62,070,000</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$600,215,000</b>	<b>\$2,200,730,000</b>	<b>\$33,621,055</b>	<b>\$5,507,893,376</b>

**Total State Spending Without Double Counting of Expenditures**

	<u>FY 95</u> <u>Actual*</u>	<u>FY 96</u> <u>Actual*</u>	<u>FY 97</u> <u>Actual*</u>	<u>FY 98</u> <u>Actual*</u>	<u>FY 99</u> <u>Actual*</u>	<u>FY 00</u> <u>Actual*</u>	<u>FY 01</u> <u>Actual*</u>	<u>FY 02</u> <u>Actual*</u>
State General Fund	\$4,728,548,124	\$5,089,695,956	\$5,837,910,286	\$5,770,726,249	\$5,818,159,735	\$5,811,328,419	\$6,279,796,406	\$6,484,124,015
Self Generated Revenue	\$879,679,517	\$883,206,871	\$892,029,972	\$873,853,784	\$880,018,178	\$907,226,026	\$1,131,863,636	\$1,063,917,530
Statutory Dedication	\$1,551,835,267	\$1,484,128,479	\$1,507,668,942	\$1,659,659,471	\$1,847,283,483	\$2,120,666,811	\$1,998,560,099	\$2,582,272,904
Interim Emergency Bd.	<u>\$2,121,262</u>	<u>\$3,662,910</u>	<u>\$4,442,738</u>	<u>\$4,547,493</u>	<u>\$4,488,327</u>	<u>\$2,092,944</u>	<u>\$4,287,912</u>	<u>\$4,764,095</u>
<b>Total State Funds</b>	<b>\$7,162,184,170</b>	<b>\$7,460,694,216</b>	<b>\$8,242,051,938</b>	<b>\$8,308,786,997</b>	<b>\$8,549,949,723</b>	<b>\$8,841,314,200</b>	<b>\$9,414,508,053</b>	<b>\$10,135,078,544</b>
% Chg	7.4%	4.2%	10.5%	0.8%	2.9%	3.4%	6.5%	7.7%
% of Gross State Product	7.3%	7.6%	7.9%	7.5%	7.4%	7.3%	7.3%	7.6%
Federal	<u>\$4,733,335,968</u>	<u>\$4,209,233,704</u>	<u>\$4,260,178,608</u>	<u>\$4,119,519,133</u>	<u>\$4,204,178,286</u>	<u>\$4,294,795,289</u>	<u>\$4,713,910,763</u>	<u>\$5,421,770,845</u>
% Chg	-3.6%	-11.1%	1.2%	-3.3%	2.1%	2.2%	9.8%	15.0%
<b>Total Budget</b>	<b>\$11,895,520,138</b>	<b>\$11,669,927,920</b>	<b>\$12,502,230,546</b>	<b>\$12,428,306,130</b>	<b>\$12,754,128,009</b>	<b>\$13,136,109,489</b>	<b>\$14,128,418,816</b>	<b>\$15,556,849,389</b>
% Chg	2.7%	-1.9%	7.1%	-0.6%	2.6%	3.0%	7.6%	10.1%
Classified Employees	45,098	55,372	55,407	55,852	56,007	56,662	44,591	43,983
Unclassified Employees	<u>2,725</u>	<u>2,960</u>	<u>2,941</u>	<u>2,924</u>	<u>2,195</u>	<u>2,300</u>	<u>2,852</u>	<u>2,751</u>
<b>Total Employees</b>	<b>47,823</b>	<b>58,332</b>	<b>58,348</b>	<b>58,776</b>	<b>58,202</b>	<b>58,962</b>	<b>47,443</b>	<b>46,734</b>
% Chg	0.2%	22.0%	0.0%	0.7%	-1.0%	1.3%	-19.5%	-1.5%

	<u>FY 03</u> <u>Actual*</u>	<u>FY 04</u> <u>Actual*</u>	<u>FY 05</u> <u>Actual*</u>	<u>FY 06</u> <u>Actual*</u>	<u>FY 07</u> <u>Actual*</u>	<u>FY 08</u> <u>Actual*</u>	<u>FY 09</u> <u>Budgeted **</u>	<u>FY10</u> <u>Appropriated</u>
State General Fund	\$6,593,839,128	\$6,536,768,945	\$7,179,361,987	7,750,084,805	9,327,485,627	\$10,371,746,553	\$9,474,744,942	\$8,931,538,369
Self Generated Revenue	\$1,060,771,306	\$1,279,607,742	\$1,213,971,213	1,231,231,644	1,344,780,376	\$1,237,953,868	\$1,464,838,477	\$1,490,344,556
Statutory Dedication	\$2,568,809,921	\$2,499,947,780	\$2,924,513,351	\$2,966,045,493	\$4,244,609,938	\$4,104,169,999	\$3,724,188,733	\$3,683,707,454
Interim Emergency Bd.	<u>\$5,091,801</u>	<u>\$1,855,193</u>	<u>\$2,785,111</u>	<u>\$3,368,411</u>	<u>\$973,121</u>	<u>\$4,612</u>	<u>\$3,326,120</u>	<u>\$0</u>
<b>Total State Funds</b>	<b>\$10,228,512,156</b>	<b>\$10,318,179,660</b>	<b>\$11,320,631,662</b>	<b>\$11,950,730,353</b>	<b>\$14,917,849,062</b>	<b>\$15,713,875,032</b>	<b>\$14,667,098,272</b>	<b>\$14,105,590,379</b>
% Chg	0.9%	0.9%	9.7%	5.6%	24.8%	5.3%	-6.7%	-3.8%
% of Gross State Product	7.7%	7.4%	7.3%	6.9%	8.0%	8.5%	8.3%	7.6%
<b>Federal</b>	<u>\$5,812,966,128</u>	<u>\$6,213,400,921</u>	<u>\$6,342,171,627</u>	<u>\$8,166,550,887</u>	<u>\$11,151,125,271</u>	<u>\$12,883,328,708</u>	<u>\$14,943,971,390</u>	<u>\$14,797,995,313</u>
% Chg	7.2%	6.9%	2.1%	28.8%	36.5%	15.5%	16.0%	-1.0%
<b>Total Budget</b>	<b>\$16,041,478,284</b>	<b>\$16,531,580,581</b>	<b>\$17,662,803,289</b>	<b>\$20,117,281,240</b>	<b>\$26,068,974,333</b>	<b>\$28,597,203,740</b>	<b>\$29,611,069,662</b>	<b>\$28,903,585,692</b>
% Chg	3.1%	3.1%	6.8%	13.9%	29.6%	9.7%	3.5%	-2.4%
Classified Employees	44,460	42,268	43,507	42,888	40,881	43,735	41,942	39,867
Unclassified Employees	<u>3,068</u>	<u>3,015</u>	<u>2,302</u>	<u>2,973</u>	<u>2,921</u>	<u>3,162</u>	<u>3,263</u>	<u>3,100</u>
<b>Total Employees</b>	<b>47,528</b>	<b>45,283</b>	<b>45,809</b>	<b>45,861</b>	<b>43,802</b>	<b>46,897</b>	<b>45,205</b>	<b>42,967</b>
% Chg	1.7%	-4.7%	1.2%	0.1%	-4.5%	7.1%	-3.6%	-5.0%

\* Executive Budget Yellow Pages

\*\* As of 2/1/09

Note: Reflects total state spending and avoids double counting of expenditures (primarily Ancillary Bill SGR, IEB Appropriations, Interagency Transfers, etc.).

FY 94 to FY 96 Governor Edwards; FY 97 to FY 04 Governor Foster; FY 05 to FY 08 Governor Blanco; FY 09 to present Governor Jindal.

FY 01 forward does not include positions and expenditures of the LSU Health Care Services Division that have been moved "off-budget".

**ITEMS EXCLUDED AS DOUBLE COUNTED  
FY 08 - FY 10**

	<b>SGF</b>	<b>SGR</b>	<b>Stat Ded</b>	<b>IEB</b>	<b>Fed</b>	<b>Total</b>
<b>FY 08 ACTUAL Total</b>	\$10,371,746,553	\$2,306,686,618	\$4,133,510,932	\$3,948,776	\$12,883,328,708	\$29,699,221,587
Ancillary Bill		(\$1,058,128,297)				(\$1,058,128,297)
Legislative Ancillary Enterprise Fund		(\$350,000)				(\$350,000)
Legislative Auditor Fees		(\$10,254,453)				(\$10,254,453)
LA Public Defender Fund (01-116)			(\$27,810,808)			(\$27,810,808)
Indigent Parent Representation Program Fund (01-116)			(\$514,005)			(\$514,005)
Indigent Patient Representation Program Fund (01-103)			(\$160,617)			(\$160,617)
DNA Testing Post-Conviction Relief for Indigents Fund (01-116)			(\$30,000)			(\$30,000)
Tobacco Settlement Enforcement Fund			(\$325,503)			(\$325,503)
Compulsive & Problem Gambling Fund			(\$500,000)			(\$500,000)
IEB				(\$32,218)		(\$32,218)
IEB Appropriations				(\$3,911,946)		(\$3,911,946)
<b>Total</b>	<b>\$10,371,746,553</b>	<b>\$1,237,953,868</b>	<b>\$4,104,169,999</b>	<b>\$4,612</b>	<b>\$12,883,328,708</b>	<b>\$28,597,203,740</b>
<b>FY 09 BUDGETED Total</b>	\$9,474,744,942	\$2,911,257,069	\$3,761,819,130	\$3,467,605	\$14,943,971,390	\$31,095,260,136
Ancillary Bill		(\$1,434,425,267)				(\$1,434,425,267)
Legislative Ancillary Enterprise Fund		(\$350,000)				(\$350,000)
Legislative Auditor Fees		(\$11,643,325)				(\$11,643,325)
LA Public Defender Fund (01-116)			(\$27,417,541)			(\$27,417,541)
Indigent Parent Representation Program Fund (01-116)			(\$488,305)			(\$488,305)
Indigent Patient Representation Program Fund (01-103)			(\$237,500)			(\$237,500)
DNA Testing Post-Conviction Relief for Indigents Fund (01-116)			(\$28,500)			(\$28,500)
Homeland Security & Emergency Preparedness			(\$9,417,482)			(\$9,417,482)
IEB			(\$41,069)			(\$41,069)
IEB Appropriations				(\$141,485)		(\$141,485)
<b>Total</b>	<b>\$9,474,744,942</b>	<b>\$1,464,838,477</b>	<b>\$3,724,188,733</b>	<b>\$3,326,120</b>	<b>\$14,943,971,390</b>	<b>\$29,611,069,662</b>
<b>FY 10 APPROPRIATED Total</b>	\$8,931,538,369	\$2,933,612,408	\$3,721,277,506	\$0	\$14,797,995,313	\$30,384,423,596
Ancillary Bill		(\$1,429,103,692)				(\$1,429,103,692)
Legislative Ancillary Enterprise Fund		(\$350,000)				(\$350,000)
Legislative Auditor Fees		(\$13,814,160)				(\$13,814,160)
LA Public Defender Fund (01-116)			(\$27,362,346)			(\$27,362,346)
Indigent Parent Representation Program Fund (01-116)			(\$488,305)			(\$488,305)
Indigent Patient Representation Program Fund (01-103)			(\$223,712)			(\$223,712)
DNA Testing Post-Conviction Relief for Indigents Fund (01-116)			(\$28,500)			(\$28,500)
Homeland Security & Emergency Preparedness			(\$9,425,627)			(\$9,425,627)
IEB			(\$41,562)			(\$41,562)
<b>Total</b>	<b>\$8,931,538,369</b>	<b>\$1,490,344,556</b>	<b>\$3,683,707,454</b>	<b>\$0</b>	<b>\$14,797,995,313</b>	<b>\$28,903,585,692</b>

**Note:** Tobacco Settlement Enforcement Fund and Compulsive & Problem Gambling Fund were not considered a double count in FY 09 and FY 10 since they were appropriated directly to the agency.